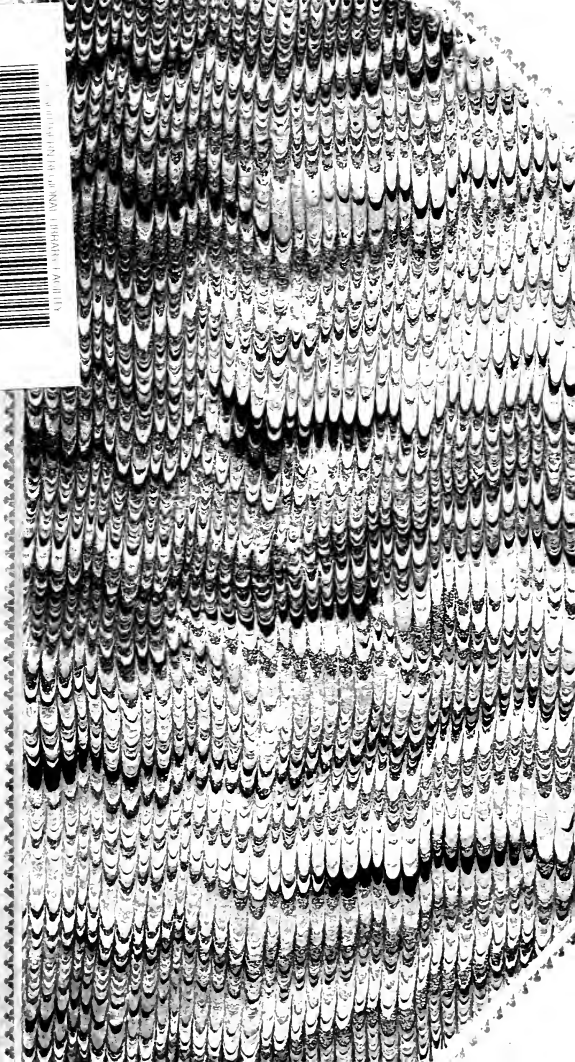


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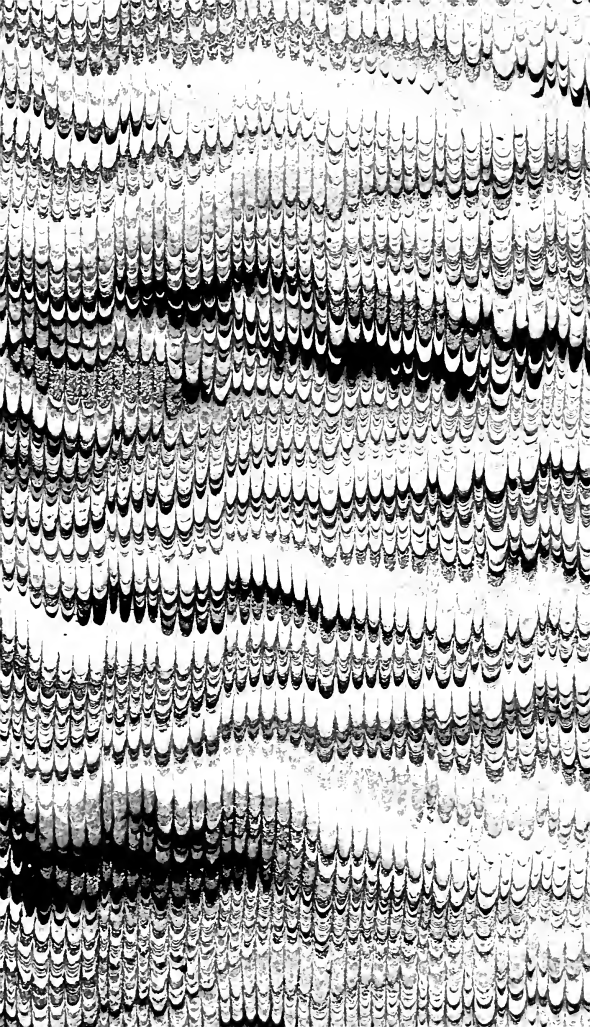


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THE HISTORY
OF
BRITISH COMMERCE,

From the Earliest Times.

REPRINTED FROM
THE PICTORIAL HISTORY OF ENGLAND;

WITH CORRECTIONS, ADDITIONS,
AND A CONTINUATION TO THE PRESENT DAY.

By GEO. L. CRAIK, M.A.

IN THREE VOLUMES.—VOL. II.

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1844.

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HISTORY OF BRITISH COMMERCE.

CHAPTER VII.

FROM THE ACCESSION OF JAMES I. TO THE RESTORATION
OF CHARLES II. A.D. 1603—1660.

THE most authentic and comprehensive account we have of the foreign commerce of England at the commencement of the present period is contained in a discourse, or essay, drawn up by Sir Walter Raleigh, and originally presented by him, in manuscript, to James I. soon after his accession.* The main object of this small treatise is to point out the circumstances to which the Dutch owed their commercial superiority, and to urge upon the English government the adoption of the same methods; but in pursuing this argument the author takes occasion to give a very full and minute delineation of the trade carried on by each country in all its branches. Some little allowance is perhaps to be made here and there for the bias of a mind occupied with and pleading for a particular object; but in general there is no reason to suppose that Raleigh's statements, the substance of which, in so far as they relate to his own country, we shall now proceed to extract and condense, are, to any material extent, overcharged.

The ordinary trade carried on at this time by the Dutch with England employed not fewer than five or six hundred Dutch ships, but not a tenth of that number of English. But, besides, whenever there was in England

* Observations concerning the Trade and Commerce of England with the Dutch and other Foreign Nations.

a dearth of wine, fish, or corn, it was the custom of the Dutch immediately to load fifty or a hundred vessels with the particular commodity in request, and to dispatch them to all the ports of this kingdom, to reap the harvest of the high prices. In a recent dearth of corn Raleigh affirms that the merchants of Embden, Hamburgh, and Holland had in this way carried away, in a year and a half, from the ports of Southampton, Exeter, and Bristol alone, nearly 200,000*l.*; and he thinks that, from the whole of the kingdom, they could not have obtained less than ten times that sum. The practice of these thoroughly commercial states was to monopolize, as far as they could, the transport of the produce of all other countries,—of Turkey and the East and West Indies, as well as of France, Spain, Portugal, and Italy; and, carrying this merchandise to Denmark, Sweden, Poland, and other northern parts, to bring back thence corn and other bulky commodities, which they stored up to supply the wants of England and the rest of the world. Amsterdam was never without a store of 700,000 quarters of corn, none of it of home growth; and it was remarked that a dearth of one year in England, France, Spain, Portugal, or Italy sufficed to enrich Holland for seven years after. Raleigh contends, nevertheless, that, if the proper methods were taken, England was much better situated than Holland for a general store-house.

He next proceeds to compare the trade in fish of the Low Countries and the adjacent petty states with that carried on by England. The most productive fisheries in the world were upon the coasts of the British islands; yet at this time, while the Hollanders sent to the four great towns on the Baltic—Königsberg, Elbing, Stettin, and Dantzic—620,000*l.* worth of herrings every year, England exported to those places none at all; nor any to Denmark, Norway, Sweden, and the ports of Riga, Revel, Narva, and other parts of Livonia, to which the Dutch sent yearly to the value of 170,000*l.*; and scarcely 500*l.* worth to Russia, to which the Dutch sent 27,000*l.* worth; and none at all to Staden, Hamburgh,

Bremen, and Embden, to which the Dutch sent, of herrings and other fish, to the annual value of 100,000*l.*; nor any up the Rhine to Germany, the people of which bought, every year, 440,000*l.* worth of herrings and other fish from the Dutch; nor any up the Meuse to Maestricht, Liege, &c., to which places the Dutch sold herrings every year to the value of 140,000*l.*; nor any to Guelderland, Flanders, and up the Scheldt, all over the dominions of the Archduke of Austria, in which direction the Dutch sent annually 162,000*l.* worth; and not 2000*l.* worth to France, which took 100,000*l.* worth from the Dutch. In short, while, according to this account, the trade of the Dutch in fish brought them in annually not much under 2,000,000*l.*, the English could hardly be said to have any trade in that article at all,—except only, Raleigh omits to notice, to the countries washed by the Mediterranean,—the great Catholic and fish-eating countries of Spain and Italy; but thither, also, the Dutch, he tells us, sent large quantities, although he does not specify to what exact amount.

In other important branches of trade the case was nearly the same. The Dutch sent nearly a thousand ships every year to the countries in the north-east of Europe with wine and salt, both chiefly obtained from France and Spain; England, with equal natural advantages, had not one ship employed in that trade. The timber trade of the Dutch, whose own country grew no wood, employed five or six hundred great ships; the English, with the same access as they had to the forests within the Baltic, neither exported nor imported a single cargo. Even the wool, cloth, lead, tin, and other native products of England were far from being turned to so much account as they might have been. As yet all the woollen cloth that went abroad was exported both undressed and undyed. About 80,000 pieces of woollen cloth were annually sent to foreign countries in that state, the dyeing and dressing of which, as Raleigh calculates, was a yearly gain to the foreigner of 400,000*l.*; besides about 150,000 northern and Devonshire kerseys and bayes (baize), the colouring of which would come to 100,000*l.*

a-year more. These latter were dressed and dyed at Amsterdam, and then shipped for Spain, Portugal, and other countries, where they were sold under the name of Flemish bayes. Nor were our exports of all descriptions of native produce of any considerable amount in comparison with those of the Dutch. To Prussia and the other countries in the north-east of Europe, for example, the Dutch sent every year nearly three thousand ships, which found their way into every port town: we sent out in the same direction only about a hundred, the merchandise carried by which was chiefly disposed of in the three towns of Elbing, Koningsberg, and Dantzic. No English ships carried any of the commodities of those countries to France, Spain, Portugal, or Italy, which two thousand Dutch merchantmen were constantly employed in supplying with them. In general the foreign trade of England for some years past had been decaying rather than extending. For seventy years a very considerable trade had been carried on with Russia: down to about the year 1590, store of goodly ships were wont to sail annually to that country; but, in 1600, only four had been sent out; and, in 1602, only two or three; whereas the Russian trade of the Dutch had now come to employ from thirty to forty ships, each as large as two of the English, and all chiefly laden with English cloth, herrings taken in the British seas, English lead, and pewter made of English tin. To the isle of Wardhuus, on the coast of Finmark, eight or nine great ships used constantly to go to the fishing from England; in this year, 1603, only one had gone. Those native commodities, besides, that were sent from England to foreign countries were in by far the greater part exported in foreign bottoms.

Raleigh's essay probably attracted very little regard from James or his ministers at this time; but some attempts seem to have been made a few years afterwards to carry certain of his recommendations into effect. Nevertheless English commerce continued in a languishing state during the whole of this reign; no really important measures were taken for its revival and encouragement;

on the contrary, the very evil which Raleigh had most deprecated,—the burdensome amount of the customs,—was, in the penury and short-sightedness of the government, augmented instead of being alleviated. One or two new trading companies were, however, incorporated; and the colonisation of different parts of America, which was more or less successfully proceeded with by the enterprise of private individuals, if it produced scarcely any results for the present, was laying an ample foundation of commercial as of all other greatness for a future age.

Captain James Lancaster, who had sailed from England in April, 1601, in charge of the first adventure of the newly-established East India Company, made his reappearance in the Downs, with the two largest of his four ships full laden with pepper, on the 11th of September, 1603, having previously sent home the other two with cargoes composed partly of pepper, cloves, and cinnamon, partly of calicoes and other Indian manufactures, taken out of a Portuguese carrack which Lancaster had fallen in with and captured. The admiral, as he was called, had been well received by the king of Acheen, in Sumatra, who had concluded a commercial treaty with him, and granted all the privileges that were asked; but the great length of time, nearly two years and a half, that the adventure had occupied, and still more the obstructions of various sorts which kept the goods from being all disposed of, and the accounts finally wound up, for about six years longer, prevented the company from deriving either much ultimate profit or any immediate encouragement from this first attempt. Additional capital, however, having been, though with difficulty, raised, the same four ships were again sent out in March, 1604, under the command of Sir Henry Middleton, who did not return till May, 1606, and then only with three of his ships, laden with pepper, cloves, mace, and nutmegs, the fourth having been lost on the homeward voyage. In the mean time a licence in direct violation of the company's charter had been granted by the king to Sir Edward Michelborne and others, allowing them to send

out ships to trade with Cathaya, China, Japan, Corea, Cambaya, and any other countries in the same quarter of the globe not already frequented by the English; and Michelborne had actually sailed for China in December, 1604, and, although he did not succeed in reaching that country, had made his way as far as to the Oriental Archipelago, whence he returned to England in July, 1606, bringing with him little else than the plunder of some small Indian and Chinese vessels, which he had attacked with no more regard either to the right of other nations or the character of his own than if he had been a common pirate. Disgusted by this ill-usage on the part of the government, in addition to the disappointment of their hopes of large and speedy returns from the subscriptions they had already risked, and influenced also somewhat by the popular outcry that was raised about the impolitic and destructive nature of the new trade, which, it was affirmed, besides occasioning an unusual mortality of the seamen, would, if persisted in, prove a wasteful drain both upon the treasure and the marine of the country, most of the members of the company were now inclined to put up with their losses and to have nothing more to do with the business. The spirit of others, however, still clung to the hope of better success; and, a new subscription having been opened, three more ships were sent out in March and April, 1607, and two more in March the following year. Neither of these attempts was very fortunate: the two vessels that sailed last, indeed, were both lost at sea, although the crews and a small part of the cargo of one of them were saved; but a single ship, the Expedition, which sailed in April, 1609, under the command of Captain David Middleton, brought home, about two years after, so valuable a cargo of nutmegs and mace as to produce a dividend of 211 per cent. Meanwhile a new charter, dated May 31, 1609, had been obtained by the company, by which their privilege of exclusive trade, originally granted for fifteen years, was made perpetual, a power, however, being reserved by the government of dissolving them at any time on three years' notice. They now built the

largest ship that had ever been constructed in England for the merchant service, some accounts making her burden to have been a thousand, others eleven or twelve hundred tons; and, after the king, with a numerous attendance of the nobility, had witnessed the launch of this portly argosy, which his majesty named the Trade's Increase, and been entertained on board with a magnificent banquet served in dishes of China ware, then quite new in England, it was put, along with two other vessels, under the command of Sir Henry Middleton, who set sail with his little fleet for the Red Sea in the spring of 1610. Neither Middleton nor his good ship, the Increase, ever saw England again; the ship was lost in Bantam Road in 1613, and Sir Henry soon after died of grief; but the other two vessels, which returned home towards the end of the following year, brought such productive cargoes as afforded the partners a dividend of above 121 per cent. Another adventure in a single ship, which sailed from Gravesend in January, 1611, and returned to England in the summer of 1615, produced the still larger profit of 218 per cent. upon the capital invested; and another with three ships, which were sent out in April, 1611, and returned in September, 1614, was very nearly as successful. Another voyage, reckoned the ninth, brought a profit of 160 per cent. after three years and a half; a tenth, in about two years and a half, 148 per cent.; an eleventh, in twenty months, about 340 per cent.; and a twelfth about 134 per cent., in a year and a half. Each of these adventures, it is to be observed, had, in so far as regarded the pecuniary results, been the separate concern of the individual members who chose to engage in it; but the commanders in general appear, nevertheless, to have considered themselves in all other respects as the representatives of the company in its corporate capacity, or even in some sort of the nation, and, as such, to have freely, whenever occasion or opportunity offered, both entered into treaties with the native powers, and employed arms, defensively or offensively, against the Dutch, the Portuguese, the Turks, or whatever other foreigners

the rivalries of trade brought them into collision with. Both the Portuguese, who had been long established in India, and the Dutch, who had more recently entered into the trade, early began to employ force as well as intrigue against the new-comers; but hitherto with little effect. In spite of all their endeavours, Captain Best, who conducted what is called the tenth voyage, succeeded, in 1613, in obtaining a firman, or charter, from the Great Mogul, allowing the company to establish a factory at Surat, granting them the privilege of introducing their merchandise at a certain fixed rate of duties, and engaging to protect both their trade and the persons and property of those engaged in it from the hostility of the Portuguese and all others. And the same year Captain Saris, who had gone out with the eighth adventure, obtained from the Emperor of Japan equally ample privileges for his dominions. It was now resolved that all future voyages should be on account of the company as one united body. The first fleet, accordingly, fitted out upon this new scheme sailed under the command of Captain Downton in March, 1614: it consisted only of four ships; but with this small force Downton was fortunate enough to repel a formidable attack of the Portuguese, with whom, on his arrival in the country, he found the Mogul at war, a victory which proved of the greatest service, not only in attaching that monarch to the interests of the company, but in exalting the English name and character in the opinion of the people of all northern and central India. The favourable impression thus made was judiciously followed up by the dispatch in January, 1615, along with another small fleet, of Sir Thomas Roe in the quality of ambassador to the Indian emperor from the king of England, and by the successful exertions of that envoy, who continued to reside at the Mogul's court till the year 1619, and was enabled to obtain various important extensions of the privileges formerly granted to the company. The company now possessed factories, not only at Acheen, Zambec, and Tecoa, in Sumatra; at Surat, Amadavad, Agra, Azmere, or Agimere, and Burampore, in the dominions of the

Mogul; and at Firando in Japan; but also at Bantam, Jacatra (the present Batavia), and Japara, in Java; at Benjarmassing and Socodania in Borneo, at Banda in the Banda Islands, at Patan in Malacca, at Macassar in the isle of Celebes, at Siam in the kingdom of that name, at Masulipatam and Petapoli on the Coromandel coast, and at Calicut on the coast of Malabar. In so prosperous a state, also, were their concerns believed to be about this time that in 1617 their stock was currently sold at 203 per cent. The disputes with the Dutch, however, now grew to such a height as greatly to embarrass the trade. Commissioners were actually appointed by the governments of the two countries to endeavour to bring about an amicable arrangement; and the Dutch proposed that the English East India Company and theirs should carry on the trade as a joint concern, a plan which, it was urged, would enable them effectually to subdue their common enemy the Portuguese, and to exclude all other nations from getting any footing in India; but this idea came to nothing. At length, in July, 1619, a treaty was concluded at London by eighteen English commissioners and ten deputies from the States-General, by which it was agreed that the two companies should continue to carry on the trade separately, but upon the principle of each sharing in the different branches of it in certain specified proportions, under the superintendence of what was called a Council of Defence, to be composed of four of the principal servants of each company resident in the country. This agreement was to continue in force for twenty years; but did not last half as many months. The intelligence that it had been concluded was received with great rejoicings in India, in April, 1620; and, in December of that same year, the Dutch governor-general suddenly attacked and took possession of the islands of Lantore and Pulo Roon, the dominion of which was claimed by the English, thus recommencing hostilities by the most decided act of aggression that had yet been committed on either side. This was followed, in February, 1623, by the much more atrocious affair of the massacre at Amboyna, and

the subsequent expulsion of the English company's people by their late associates, but now declared enemies, out of all the other Spice Islands. A long course of hostilities, into the detail of which we cannot enter, took place between the two nations, the effects of which were so disastrous to the interests of the English company, that, notwithstanding a valuable establishment they had gained, in 1622, in the Persian Gulf, by the capture, in conjunction with the forces of the Shah of Persia, of the island of Ormus from the Portuguese, they found themselves, two or three years later, in debt to the amount of 200,000*l.*, and, about the close of the reign of James, were seriously thinking of disposing of whatever they possessed in India, and relinquishing the trade. They had, before this, abandoned their factory in Japan, notwithstanding the concession to them, by the emperor, in 1616, of a second and still more liberal charter; and they had also withdrawn from a field of enterprise upon which they had somewhat strangely entered a few years before,—the Greenland whale fishery,—after attempting it first by themselves, and then, with no better success, in conjunction with the Russian Company. They had in 1616, in the height of their reputed prosperity, raised a new stock of 1,629,040*l.*, which was eagerly subscribed by 954 individuals, including fifteen dukes and earls, thirteen countesses and other titled ladies, eighty-two knights, judges, and privy councillors, eighteen widows and maiden ladies, and twenty-six clergymen and physicians, besides mercantile men and others. Now, when a further subscription was proposed, it was found that the money could not be obtained; and the stock, which in 1617, sold at 203 per cent., had now fallen to considerably less than the half of that price.*

The operations of the other incorporated trading companies in this reign demand little notice. In 1605 James granted a perpetual charter to a new company, that of “The Merchants of England trading to the Levant Seas,”

* Macpherson's *European Commerce with India*, pp. 81—111.

which still subsists, and is popularly known under the name of the Levant or Turkey Company. By means of this company, the plan of which was that every member should trade on his own account, but according to regulations settled by the general court, considerable quantities of English woollen manufactures, and, at a later date, of watches, jewellery, and other descriptions of merchandise, were exported to Constantinople and the adjacent parts of the East, the supply of which with European commodities used formerly to be entirely in the hands of the Venetians. It is said that the ordinary returns of the Levant Company were at first three to one upon the investments. The year after the incorporation of the Levant Company, an English minister was, for the first time, appointed to reside in the dominions of the Grand Seignior, and authority was given to him to nominate consuls for the superintendence of the trade and the good government of the English merchants in the several ports. For some time the Turkish trade seems to have been one of the most flourishing branches of our foreign commerce. In a treatise published in 1621, it is asserted that, of all Europe, England then drove the most profitable trade to Turkey, by reason of the vast quantities of broad cloth, tin, &c., which were exported thither. The profitableness of the English trade with Turkey, however, in this writer's notion, lay mainly in the circumstance that our exports were sufficient to pay for our imports,—the latter consisting chiefly of “three hundred great bales of Persian silk yearly,”—“whereas,” he adds, “a balance in money is paid by the other nations trading thither. Marseilles sends yearly to Aleppo and Alexandria at least 500,000*l.*, and little or no wares. Venice sends about 400,000*l.* yearly in money, and a great value in wares besides. The Low Countries send about 50,000*l.*, and but little wares; and Messina 25,000*l.* in ready money. Besides great quantities of gold and dollars from Germany, Poland, Hungary, &c. And all these nations take of the Turks, in return, great quantities of camblets, grograms, raw silk, cotton wool and yarn, galls,

flax, hemp, rice, hides, sheep's wool, wax, corn, &c."* If those other nations, however, got their money's worth for their money, which no doubt they did, they were quite as well off as the English, who of course got no more than the worth of their produce or manufactures. It might be as great an accommodation to the Venetians, Hollanders, &c. to have the Turks to take off their gold and silver as it was to the English to have the Turks to take off their broad cloths and tin. Of all superfluities a superfluity of the precious metals would be about the most useless; produce, manufactures, goods of any other kind that could not be disposed of abroad might be turned to some account at home; gold and silver would not be so valuable as iron, or lead, or clay, if they could not be employed for purposes of exchange. The English, therefore, in sending to the Turks their broad-cloths and tin, gave away that which if kept at home would have had a value in all circumstances, even if all commercial intercourse between nations had come to a standstill: the money with which the Dutch and Venetians and Germans paid for their silks and other Turkish merchandise would not in that case have been worth the cost of warehousing it. And, in any circumstances, these nations must have found it more convenient to pay for what they got from the Turks in gold and silver than in other exports, else they would not have done so; the Turks would have taken their cloths and other descriptions of manufactures or produce as willingly as they took those of the English. But they found it more profitable to carry on their dealings of that kind with other customers,—to exchange their goods for the money of the English,—and then, with that money in their hands, to go to make their purchases from the Turks. What would they have made by keeping the money and exporting goods to Turkey

* Munn's Discourse of Trade from England to East India, p. 17. Munn, who has developed his views more at large in his work, entitled "England's Treasure by Foreign Trade," was one of the ablest as well as earliest systematic defenders of what has since been called the Mercantile Theory of Trade.

instead? On the other hand, if the English had had money wherewith to make their purchases from the Turks, it is unquestionable that they would have found that the most profitable way of dealing. Whatever the theorists of the mercantile system may say, the last thing, we may be sure, that any nation will really keep at home when it has an opportunity of sending it abroad is its gold and silver. Money is at once the most effective and economical instrument of exchange, and the most useless of all things when not so employed. The mercantile system rests upon the notion that a country never can have too much money; whereas the truth is, money is almost the only thing of which more than a certain quantity permanently confined within a country would really be of no use. If a country has as much of everything else as it wants, it will always have as much money as it wants; its stock of money or representative wealth, will always be proportioned to its stock of other and more real wealth; and no mode of carrying on trade with another country, or with all other countries,—in other words, no state, favourable or unfavourable, to use the established expressions, of what is called the balance of trade—can in the least affect the matter. In fact, this same balance of trade, about which so much anxious calculation has been expended, is in every view the most purely insignificant thing in the whole world; it is of no more consequence than the balance between the numbers of the red-painted and black-painted ships that may have been employed in any particular trade, or of the light-complexioned and dark-complexioned sailors by which they may have been manned. It is evident that no country can have its general balance of trade permanently or for any long course of years either favourable or unfavourable; either supposition implies that which is impossible. The result of a permanently favourable balance, would be such a constant accumulation of the precious metals in the country as would be only burdensome if it could take place, but, at the same time, really could no more happen than a constant accumulation of water upon a particular spot in a plain. A permanently or long-continued unfa-

vourable state of the balances, again, is only another expression for the case of a country which should be continually exporting more gold and silver than it imported, a thing possible only for a country of which the precious metals were among the native products. The wealth of a country, indeed, may increase or may diminish: but its stock of money and its stock of other wealth will increase or will diminish together; and the growth or decline of both will not at all depend upon, or be indicated by, anything like what has been called the balance of trade,—that is, the proportion in which the goods obtained from other countries are paid for by money or by other goods,—but will be occasioned solely by the increasing or diminishing productiveness, as circumstances may vary, of its natural resources and advantages, and of the labour and ingenuity of its inhabitants. The balance of trade may in all cases with perfect safety be left to regulate itself: whatever may happen with other things, that can never go wrong.

In 1604, and again in 1617, the Company of Merchant Adventurers obtained new charters from James, confirming all their former exclusive privileges of exporting the woollen manufactures of England to the Netherlands and Germany, with the reservation only of the right of trading within the same limits to the mayor, constables, and fellowship of the Merchants of the Staple—an exception which is said to have soon proved wholly illusory, under the extending influence of the more recent association, who gradually compelled all persons engaged in this trade to submit to their regulations. In fact, the Company of Merchant Adventurers came to comprehend the whole body of English merchants trading to the Low Countries and Germany, a body which, in the latter part of the reign of James, is stated to have amounted to about 4000 individuals. There appear, also, to have been local companies of merchant adventurers established in some of the great towns. Thus, an act of parliament of the year 1606 confirms a charter that had been granted nearly half a century before by Elizabeth, giving to a company of that name of the city of Exeter the exclusive privilege, in

reference to their fellow-citizens, of trading with the dominions of the king of France. Another statute of the same session created a still more comprehensive monopoly in favour of the corporation of the town of Southampton, which was empowered to exclude all persons except its own freemen, and the barons and freemen of the Cinque Ports, from buying or selling anything whatever as merchants within that town. Such restrictions were still generally thought to be necessary or serviceable to the interests of trade, and not injurious to those of the public.

Much more pernicious, however, in their effects, as well as more illegal, or at least unconstitutional, in their origin, than these local and statutory grants, were many patents for the exclusive sale or manufacture of particular commodities, which James took upon him to issue by his mere prerogative to persons who purchased from him such licences to pillage the rest of his subjects. The number of these monopolies had been made matter of strong complaint by the House of Commons towards the close of the preceding reign, and Elizabeth had thereupon issued a proclamation annulling all those then existing. But James was not to be restrained by this concession of his predecessor from the exercise of what he held to be an undoubted part of his prerogative; he soon created so many new monopolies that the public clamour became louder than ever, till at last, in 1609, he deemed it prudent to follow Elizabeth's example by again proclaiming a general revocation. Nevertheless, after the suspension of parliamentary government in 1614, this evil, with many others, soon grew up again in all its old rankness; so that, when circumstances at length compelled the calling of a parliament once more in 1621, the oppression of monopolies formed a principal head in the catalogue of the national grievances which the Commons immediately proceeded to redress. At a conference with the Lords, they offered to prove, Rushworth tells us, "that the patents of gold and silver thread, of inns and alehouses, and of power to compound for obsolete laws, of the price of horse-meat, starch, cords, tobacco-pipes, salt, train-oil, and the rest, were all illegal; howbeit they touched not

the tender point of prerogative, but, in restoring the subjects' liberty, were careful to preserve the king's honour."* James, it should appear, on this occasion professed to have been entirely ignorant, until informed by his faithful Commons, of the abuses alleged to have taken place; and it was contrived that the whole blame as well as punishment should fall upon the patentees, on the pretence that they had exceeded their privileges, and on certain of the officers of state concerned in the granting of the patents, on the somewhat contradictory pretence that they had not been sufficiently careful in limiting the terms of these grants so as to guard them against being abused. "I do assure you," said his majesty, in a speech which he came down and made to the Lords while the inquiry was going on, "I do assure you, in the heart of an honest man, and by the faith of a Christian king, which both ye and all the world know me to be, had these things been complained of to me before the parliament I would have done the office of a just king, and out of parliament have punished them as severely, and peradventure more, than ye now intend to do. But now that they are discovered to me in parliament, I shall be as ready in this way as I should have been in the other; for I confess I am ashamed, these things proving so as they are generally reported to be, that it was not my good fortune to be the only author of the reformation and punishment of them by some ordinary course of justice." "Three patents at this time," he went on to say, "have been complained of and thought great grievances: 1. That of the inns and hostelries. 2. That of alehouses. 3. That of gold and silver thread. My purpose is to strike them all dead; and, that time may not be lost, I will have it done presently. That concerning alehouses I would have to be left to the managing of justices of the peace as before. That of gold and silver thread was most vilely executed, both for wrong done to men's persons, as also for abuse of the stuff, for it was a kind of false coin. I have already freed the persons that were

in prison ; I will now also damn the patent, and this may seem instead of a pardon. All these three I will have recalled by proclamation, and wish you to advise of the fittest form to that purpose.”* In the course of the debates upon the subject in the Commons, Mr. (afterwards Serjeant) Noy explained the manner in which these patents were applied for and obtained. “Before any patent is passed,” said the learned member, “there is first a petition to his majesty, showing what good will accrue to the commonwealth by granting of the same, and what increase of benefit to the king, and what abuses for want of such a remedy as they propound do abound ; whereon the king ever referreth the petition to some whom his majesty thinketh fittest to consider of the petition, both for matter of law, convenience, and good of the state and commonwealth ; and thereupon the referees are to certify his majesty the truth of what they think of the petition ; and, as they certify for the lawfulness and conveniency and good both of his majesty and his estate, and the particular good of the commonwealth, his majesty accordingly granteth it.”† With all this show, however, of regard for the public good, no doubt can be entertained for a moment, from the character of these old monopolies, that the only thing that was really looked to in the bargain between the crown and the applicant was the amount of the sum of money the latter was inclined to offer for the patent ; if that was sufficiently large, the recommendation of the referees, we may safely presume, was in general a matter of course. It is highly probable, indeed, that they expected and received, in all cases, a bribe for themselves as well as for their royal master. Nobody at this time, however, went the length of maintaining that the right of granting such patents, if properly exercised, was not, at least within certain limits, a prerogative of the crown. Those of the existing monopolies that were attacked were objected to principally on the ground that they were prejudicial to the public interest, either in their very nature or because the patentee had

* Rushworth, I. 26.

† Parl. Hist. i. 1192.

abused the powers entrusted to him by the royal grant. "There are some patents," Noy proceeded to observe, "that in themselves are good and lawful, but abused by the patentees in the execution of them, who perform not the trust reposed in them by his majesty; and of such a kind is the patent for inns; but those that have the execution abuse it by setting up inns in forests and bye-villages, only to harbour rogues and thieves, and such as the justices of peace of the shire, who best know where inns are fittest to be and who best deserve to have licences for them, have suppressed from keeping of alehouses; for none is now refused that will make a good composition. There are also some who have gotten a power to dispense with the statute of vagabonds, rogues, &c., and so make themselves dispensers of the royalties only proper for the king himself. The like patent is granted for tolls, leets, warrens, markets, &c., and they set up bills of it on posts, like new physicians that are new come to town, making merchandises of it." Even Sir Edward Coke, who declared that monopolies were now grown like hydras' heads—they grew up as fast as they were cut off—admitted that, while some patents were against the law, and others neither good in law nor execution, others were good in law and only ill in execution. The patent for inns, in particular, he allowed to be good in law. "He showed," says the report of his speech, in conclusion, "that all the kings, from Edward III. to this king, have granted monopolies; and even in Queen Elizabeth's time there were some granted. Sir Richard Mompesson [perhaps the father of Sir Giles Mompesson, whose conduct as one of the patentees of inns and of gold and silver thread was now in question] and one Robert Alexander procured of Queen Elizabeth a patent for the sole transporting of anise-seed. Monopolies have been granted heretofore *de vento et sole*; that in Devonshire and Cornwall a patent was granted that none should dry pilchards but those patentees."* Another member, Mr. Alford, described the way in which the monopoly of inns operated.

* Parl. Hist. I. 1193.

“Every poor man,” said he, “that taketh in but a horse on a market-day, is presently sent for up to Westminster and sued, unless he compound with these patentees; and all ancient inn-keepers, if they will not compound, are presently sued at Westminster for enlargement of their house, if they but set up a new post or a little hovel more than of ancient was there. And, instead of reformation of abuses, this patent doth but raise reckonings on the poor traveller; and, instead of restraining the number of inn-keepers, at Bath, where there were wont to be but six, and the town desired Sir Giles Mompesson there might not be more, yet he increased them *gradatim* from six to twenty innkeepers.” When he found that the storm could not be resisted, James himself was as ready with his virtuous indignation against all these abuses as any one else: in his speech to the Lords, to which we have already referred, he told them that nothing would be a greater ease to him, and to all about him at court, than some measure that would put an end for ever to the annoyance and pest of applications for the said patents. Even the stir that had already been made, he intimated, had materially contributed to his and their repose; “for I remember,” said his majesty, “that, since the beginning of this parliament, Buckingham hath told me he never found such quiet and rest as in this time of parliament from projectors and informers, who at other times miserably vexed him at all hours.” And then he launched out in the following characteristic strain:—“And now I confess that, when I looked before upon the face of the government, I thought, as every man would have done, that the people were never so happy as in my time. For, even as at divers times I have looked upon many of my coppices, riding about them, and they appeared on the outside very thick and well grown unto me; but when I turned unto the midst of them, I found them all bitter within, and full of plains and bare spots,—like an apple or pear, fair and smooth without, but, when ye cleave it asunder, you find it rotten at the heart; even so this kingdom, the external government being as good as ever it was, and, I am sure, as

learned judges as ever it had, and, I hope, as honest, administering justice within it, and for peace both at home and abroad, I may truly say, more settled and longer lasting than ever any before, together with as great plenty as ever; so it was to be thought that every man might sit in safety under his own vine and fig-tree. Yet I am ashamed, and it makes my hair stand upright, to consider how in this time my people have been vexed and polled by the vile execution of projects, patents, bills of conformity, and such like, which, besides the trouble of my people, have more exhausted their purses than subsidies would have done." The sudden dissolution of this parliament, however, prevented anything being done to put an effectual stop to the evil; and it was not till three years afterwards, by which time several new patents of an equally objectionable kind with those here so warmly condemned had been extorted from his majesty's necessities or good-nature, that the act was passed declaring all monopolies, and all commissions, grants, &c., to any person or persons for the sole buying, selling, making, working, or using of anything within the realm, except in the case of new inventions, to be altogether contrary to the laws of the realm, and so to be utterly void and of none effect, and in no wise to be put in use or execution.* Tacked to this general enactment, however, were provisos barring its operation in the case of various existing patents and of any others that might be afterwards granted of the same kind,—namely, patents concerning printing, the digging or compounding of saltpetre or gunpowder, the casting or making of ordnance or shot, the compounding or making of alum, the licencing of taverns and retailing of wines. Four existing patents, for the making of glass, for the exportation of calves' skins, for the making of smalt, and for the melting of iron ore, were also specially excepted from the operation of the act.

We will now add a few notices respecting the state of some particular branches of trade in this reign. One of

* Stat. 21 Jac. I. cap. 3.

the fields of enterprise that attracted most attention was that of the northern fisheries. Besides whales, the frequenters of the Greenland coasts now began to kill morses, or sea-horses, whose teeth were then esteemed more valuable than ivory. The fishery was at first prosecuted by individual adventurers, but at length the Russia Company having entered into the business obtained, in 1613, a charter from James, excluding all other persons from sailing to Spitzbergen; acting upon which they that year fitted out seven armed ships, with which they drove away from those seas four English fishing-vessels, and fifteen sail of Dutch, French, and Biscayans, and forced some other French ships, which they permitted to remain, to pay them tribute for their forbearance. The next year the company sent out thirteen ships; but the Dutch had now taken care to be provided for them, and, appearing with eighteen vessels, four of which were men-of-war, set them at defiance, and remained and fished at their ease, as usual. In 1615 a new claim to the dominion of Spitzbergen and the surrounding waters was preferred by the Danes, who made their appearance with three ships of war, being the first Danish vessels that had ever been seen in that quarter, and demanded tribute or toll both from the Dutch and the English, who were, however, too strong for them to succeed in enforcing their claim. We have already mentioned the junction of the Russia and East India Companies for the prosecution of the Greenland fishery. It is said to be in 1617 that the earliest mention is found of fins or whalebone being brought home along with the blubber. The dispute between the English and Dutch about the right of fishing still continued to be waged with great animosity and occasional violence; meanwhile, "the manner of managing the whale-fishing of both nations," says Anderson, in a summary of the details given by the voyagers of the time, "was then quite different from what it is in our days. The whales, in those early times, having never been disturbed, resorted to the bays near the shore, so that their blubber was easily landed at Spitzbergen, where they erected cookerries (that is, coppers, &c.) for

boiling their oil ; which cookeries they left standing from year to year, and only brought home the purified oil and the whalebone. The English, having been first in that fishery, kept possession of the best bays. The Hollanders, coming late, were obliged to find bays farther north : yet the Danes, who came later into this trade than the Dutch, got in between the English and Dutch. The Hamburgers came after the Danes ; and after them came the French, and also the Biscayners, who, though they were older whale-fishers than any in Europe, except the Norwegians, had not, however, practised this method but by the example of the English and the rest, and who were forced to set up their cookeries still farther off. But, since those times, the whales are less fréquent in the bays, and are most commonly among the openings of the ice at a greater distance from land, which obliges the ships to follow them thither. So that the blubber is now cut from the whales, which are taken in small pieces at the ships' sides, and then casks filled therewith, and thus brought home to be boiled and purified, and the whale-fins also to be cleaned. This latter method, however, of fishing being often found dangerous and hazardous to shipping, it discouraged our English adventurers, who then traded in a company, so that they soon after relinquished that fishery ; and so it remained till the reign of King Charles II.”*

We have a proof, notwithstanding the complaints of the decay of the national trade and industry, which, as we have seen, were not wanting now any more than in every other period of our history, that the country still continued, on the whole, to advance in wealth and prosperity, though at a slackener pace than for some time before, in the fact that both the mercantile and the royal navies were considerably increased in the course of the present reign. It has been asserted, as we have seen, that in the fleet fitted out in 1588 against the Spanish Armada Elizabeth had forty ships of her own ; but, according to other accounts, what properly formed the

* *Histor. and Chron. Deduct. of Orig. of Com.* ii. 272.

royal navy consisted at her death of only thirteen ships, while at the death of James it consisted of twenty-four.* While the largest of Elizabeth's ships, also, was only of the burden of 1000 tons, and carried forty cannon, her successor, in 1609, built a man-of-war, called the Prince, of the burden of 1400 tons, and carrying sixty-four guns. At James's accession, it is stated by Sir William Monson, there were not above four hundred ships in England of four hundred tons burden.† An anonymous, but apparently well-informed writer, the author of a tract entitled "The Trade's Increase," published in 1615, has given us an account of the English shipping at that date, which, although the object of the writer is not to draw a flattering picture, seems to indicate that its quantity was then very considerably greater than it would appear to have been twelve years before, either from Monson's statement, or from that of Raleigh respecting the general trade of the kingdom, to which we have adverted in a preceding page. According to the author of "The Trade's Increase," there were, when he wrote, twenty English ships, chiefly laden with herrings, employed in the trade to Naples, Genoa, Leghorn, Marseilles, Malaga, and the other ports of the Mediterranean; together with thirty from Ireland, laden with pipe-staves,—an article that has now long ceased to be found among the exports from that country. To Portugal and Andalusia twenty ships were sent for wines, sugar, fruits, and West India drugs; to Bordeaux, sixty ships and barks for wines; to Hamburgh and Middleburgh thirty-five vessels, all belonging to the Company of Merchant Adventurers; to Dantzic, Königsberg, &c., about thirty,—namely, six from London, six from Ipswich, and the rest from Hull, Lynn, and Newcastle; to Norway, five. The Greenland whale-fishery employed fourteen ships; the Iceland fishery, one hundred and twenty ships and barks. Only one hundred and twenty small ships were engaged, according to this writer, in the Newfoundland fishery; but another autho-

* Macpherson, *Hist. of Com.* ii. 230.

† Naval Tracts, 1623.

rich states that this very year there were at Newfoundland two hundred and fifty English ships, the burden of which, in all, amounted to 15,000 tons.* The Newcastle coal-trade employed alone four hundred vessels; namely, two hundred for the supply of London, and as many more for the rest of England. "And, besides our own ships," says our author, "hither, even to the mine's mouth, come all our neighbouring nations with their ships continually, employing their own shipping and mariners. . . . The French sail hither in whole fleets of fifty sail together; serving all their ports of Picardy, Normandy, Bretagne, &c., even as far as Rochelle and Bordeaux. And the ships of Bremen, Embden, Holland, and Zealand supply those of Flanders, &c., whose shipping is not great, with our coals." Besides all these, there were the ships belonging to the East India Company, which, if they were not as yet very numerous, were some of them the largest merchantmen of the kingdom. Sir Dudley Digges, in a treatise entitled "The Defence of Trade," published this same year, in reply to the author of "The Trade's Increase," who had attacked the company, gives a list of all the ships they had employed from their first establishment, which he makes to have been twenty-four in number; of which one was of 1293 tons burden, one of 1100, one of 1060, one of 900, one of 800, and the rest of from 600 to 150.

According to a return made to an order of the privy council, in 1614, the entire value of the exports from England to all parts of the world, for the preceding year, was 2,090,640*l.* 11*s.* 8*d.*; and that of the imports, 2,141,283*l.* 17*s.* 10*d.* In order, however, to make it appear that the balance of trade was at this time favourable, the account adds to the value of the exports 86,794*l.* 16*s.* 2*d.* for custom on the goods; 10,000*l.* for the impost paid outwards on woollen goods, tin, lead, and pewter; and 300,000*l.* for the merchants' gains, freight, and other petty charges: in this way making out an apparent balance of the exports over the imports,

* Gerard Malynes, in his *Lex Mercatoria*, 1622, p. 347.

or, as it is phrased, " a balance gained this year to the nation " of 346,283*l.* 17*s.* 10*d.* In 1622, according to another account which has been preserved, the total amount of exportations, including therein the custom at 5 per cent. on such goods as paid poundage, the imposts on bays, tin, lead, and pewter, and the merchants' profit of 15 per cent., together with freight and petty charges, was 2,320,436*l.* 12*s.* 10*d.*; while the total value of the imports, including 91,059*l.* 11*s.* 7*d.* of customs dues, and 100,000*l.* for fine run-goods, &c., was 2,619,315*l.** This state of matters, according to the universally prevalent notion of the time, indicated a balance lost to the country that year by its foreign commerce of 298,878*l.* 7*s.* 2*d.* But, in truth, a comparison of the two accounts, supposing them to be tolerably correct, only proves that the trade of the country, on the whole, had rather increased than diminished in the course of the nine years which they embrace. It appears that in 1613 the exports and imports, taken together, amounted in value to 4,628,586*l.*; and in 1622 to 4,939,751*l.* The highest of these sums may be about the twentieth part of the united value of our present exports and imports.

The great staple of the kingdom still continued to be the trade in wool and in woollen cloths. But, although the English wool was finer, and held in higher estimation than that of any other country, the imperfect manner in which the processes of dressing and dyeing the cloth were performed had long been matter of regret with all who took an interest in the prosperity of our commerce and manufactures. We have already noticed Raleigh's representations upon that subject. At length an effort was made to remedy the evil, which, if strong measures were always the most successful in such cases, could hardly have failed to accomplish its professed purpose. In 1608 James issued a proclamation absolutely prohibiting any undyed cloths to be sent beyond seas even by the Company of Merchant Adventurers,

* Circle of Commerce, by Edward Misselden, Esq., 1623, p. 121.

whose charter expressly empowered them to export such cloths, of which, indeed, their trade in all probability mostly consisted. At the same time he granted to Alderman Cockayne a patent giving him the exclusive right of dyeing and dressing all woollen cloths. But the States of Holland and the German cities immediately met these proceedings by prohibiting the importation of all English dyed cloths. "Thus," says Anderson, "was commerce thrown into confusion, Cockayne being disabled from selling his cloth anywhere but at home; beside that his cloths were worse done, and yet were dearer, than those finished in Holland. There was a very great clamour, therefore, raised against this new project by the weavers now employed, &c., so that the king was obliged to permit the exportation of a limited quantity of white cloths; and a few years after, in the year 1615, for quieting the people, he found himself under the necessity of annulling Cockayne's patent, and restoring that of the Merchant Adventurers." The prohibition by the Dutch and Germans, however, of the importation of English woollens dyed in the cloth had, in the mean time, set the clothiers of England upon the new method of dyeing the wool before weaving it, and thus producing the kind of fabric called medley-cloth, formed from threads of different colours. This discovery is assigned to the year 1613. Either from the effects of the derangement occasioned by Cockayne's patent, or from other causes, the woollen trade a few years after this date appears to have fallen into a declining state. In 1622 a commission was issued by the king to a number of noblemen and gentlemen, directing them to inquire into the causes of the decay, and the best means of effecting the revival, both of this and other branches of the national commerce and industry; in which his majesty declares that both the complaints of his subjects at home, and the information he received from his ministers abroad, had assured him that the cloth of the kingdom had of late years wanted that estimation and vent in foreign parts which it formerly had; that the wools of the kingdom were fallen much from their wonted values; and

that trade in general was so far out of frame that the merchants and clothiers were greatly discouraged; so that great numbers of people employed by and dependant on them wanted work, farmers wanted the usual means of paying their rents, landlords failed to receive their former incomes, and the crown also suffered by the diminution of the customs and other duties. The remainder of the paper enumerates the points to be more particularly inquired into, and suggests some remedies that might, it was thought, deserve consideration. The commissioners were directed, among other things, to find out what had occasioned the fall in the price of wool; what would be the most effective course to take in order to prevent the exportation of wool and woollen yarn, fuller's-earth, and wood ashes; how to remedy the present unusual scarcity of money, &c. They were also to consider if it might not be behoveful to put in execution the laws still in force which obliged merchant-strangers to lay out the proceeds of the merchandise imported by them on the native commodities of the realm. The commission goes on to complain that the merchants trading into the Eastland countries (that is, the countries lying along the south shores of the Baltic) had neglected of late to bring back corn as they had been formerly wont; and also that, instead of loading their ships, as formerly, with great quantities of undressed hemp and flax, which set great numbers of the people of this kingdom to work in dressing the same and converting it into linen cloth, they now imported hemp and flax ready dressed, and that for the most part by strangers. Much treasure, it is afterwards affirmed, was yearly spent for linen cloth imported from abroad at a high price. It is certain that, before the close of this reign, the Dutch had begun successfully to compete with the English weavers in the manufacture of the finer kinds of woollen cloth, a branch in which this country had till now stood unrivalled. In 1624 a statement was given in to the parliament, by which it appeared that 26,500 pieces of fine woollens had been that year manufactured in Holland; whereupon the House of Commons resolved, first, "That the Merchant Adven-

turers' Company setting imposts upon our cloths is a grievance, and ought not to be continued ; and that all other merchants promiscuously, as well as that company, may transport everywhere northern and western dozens, kerseys, and new draperies :” secondly, “ That other merchants beside the Merchant Adventurers' Company may freely trade with dyed and dressed cloths, and all sorts of coloured cloths, into Germany and the Low Countries.” This was certainly the true way of restoring the trade, and of securing to the English weavers something better than even that exclusive possession of the manufacture of the finer fabrics, which was now irrecoverably lost.

According to the author of “ The Trade's Increase,” the commerce of England with Spain and Portugal had fallen to so low a state, in consequence of the long wars with those countries in Elizabeth's time, that when he published his work, in 1615, it scarcely employed five hundred seamen. An attempt was made in 1618 to revive the trade to the coast of Guinea by the chartering of a company with the exclusive privilege of carrying it on ; but the only result was, that the company and the private adventurers, whose former freedom was invaded by the charter, became involved in such disputes as soon ruined both ; so that the trade was for some years abandoned altogether. Considerable annoyance was experienced by our commerce in the south of Europe in the course of this reign from the pirates of the Barbary coast. About the year 1616 the fleet of these corsairs is stated to have consisted of forty sail of tall ships, that carrying the admiral being of 500 tons burden ; with this force they struck terror all along the Spanish coasts, dividing it into two squadrons, with one of which they blocked up the port of Malaga, while with the other they cruised between Lisbon and Seville. In 1620 the king commissioned Sir Robert Maunsell, vice-admiral of England, to lead a fleet, composed partly of some royal ships, partly of others belonging to private individuals, against the pirates ; but nothing appears to have been done in consequence. The next year, however, Maunsell actually

proceeded to Algiers with an armament consisting of eight ships, four of them carrying forty cannon each, besides twelve armed merchantmen, the whole having on board a force of nearly 2700 men. But, after making an attempt to burn the ships in the mole, which did not succeed, it was deemed prudent to return home, under the conviction that nothing further could be done. It is said that the corsairs, as soon as Maunsell had turned his back, picked up nearly forty good English ships, and infested the Spanish coasts with greater fury than ever. Two years after we find complaints made both by foreign powers and by English merchants, that sundry subjects of England were in the habit of supplying the rovers of Algiers and Tunis with ammunition, military weapons, and provisions, whereby they were enabled to disturb our own commerce as well as that of other Christian nations; on which James issued a proclamation strictly prohibiting all his subjects from offending for the future in that sort.

We have sketched in the preceding Chapter the history of the several attempts which were made, in the latter part of the reign of Elizabeth, to effect settlements in the newly discovered world of North America, principally by Sir Walter Raleigh and his relations, Sir Humphrey Gilbert and Sir Richard Grenville, and which all terminated so unsuccessfully or disastrously. A considerable intercourse had, however, been kept up with the Indians on the coasts of Virginia and the more northern part of the American continent by the merchants both of London and Bristol, who found it very profitable to purchase their furs and skins with beads, knives, combs, and other such trinkets or articles of little value, ever since a Captain Gosnold, in the year 1602, had for the first time made the voyage to those parts by a direct course, without sailing round about to the West Indies and through the Gulf of Florida, as had always been done by preceding navigators. At length, in 1606, James chartered two companies, the first called that of the London Adventurers, or South Virginia Company, who were authorised to plant all the American coast comprehended between the 34th and 41st degrees of north latitude, or

the country which afterwards formed the provinces of Maryland, Virginia, and North and South Carolina; the second called the Company of Plymouth Adventurers, to whom was assigned all the territory to the north of this as far as to the 45th degree of latitude, including the modern Pennsylvania, New Jersey, New York, and the New England States. The London Company that same year sent out a hundred settlers in two ships, who founded, about three miles from the mouth of the Powhatan (now called James River), the present town, still known by its original name, of James Town, in Virginia. In 1610 this company obtained a second charter, incorporating them anew by the name of the Treasurer and Company of Adventurers and Planters of the City of London for the First Colony of Virginia, and empowering them to grant lands to the adventurers and planters, to appoint a resident council, to place and displace officers, &c.—in short, granting them all the powers of self-government. In 1612 a settlement was formed on the Bermuda, or Somers Isles, by a company of persons, to whom the king granted a charter after they had purchased the islands from the Virginian Company, who claimed the dominion of them in consequence of their having been discovered, as was supposed, by two of their captains, Sir George Somers and Sir Thomas Gates, who were shipwrecked on one of them in the course of a voyage to Virginia in 1609, and lived there for nine months, though they had been really visited a hundred years before by Bermuda, a Spanish navigator. In 1616, Sir Walter Raleigh, released from his long confinement in the Tower, received from James his commission to undertake the voyage to Guiana, in South America, which the gallant adventurer entered upon in the spring of the following year, and the fatal issue of which is well known. Raleigh, setting sail on the 28th of March, 1617, in command of a fleet of fourteen vessels, did not reach the coast of Guiana till the 13th of November; he returned to England in June 1618, after having lost his eldest son in fighting with the Spaniards, and having been foiled in all his attempts; was immediately on his landing arrested

and thrown again into the Tower; and was brought to the block on the 19th of October following. Meanwhile, although the colony in Virginia went on increasing, and began, after many disappointments, to promise some return to the outlay of the adventurers, they had enough to do in defending their possessions against enemies and rival claimants on all sides of them. Besides the contests in which they were involved with the aboriginal inhabitants, they found themselves called upon to take measures for driving away both a number of Frenchmen who had crossed the St. Lawrence and settled in Acadia (the present Nova Scotia), and in the country now forming the New England States; and also a body of Dutch colonists who had built the town of New Amsterdam (the present New York) and the port of Orange (now Albany), in what they called the country of New Netherlands; for as yet all the eastern coast of the American continent, from the 34th to the 45th parallels of latitude, was considered as belonging either to southern or northern Virginia, and as, therefore, included in the grants to the two companies. Both the French and the Dutch were dislodged in 1618 by the English governor, Sir Samuel Argal; but the Dutch soon returned, and eventually made good their position. Many attempts had been made to establish English settlements in the northern parts of this territory; but it was not till the year 1620 that the first plantation was made which actually took root and became permanent, at a place called Plymouth, the country around which soon after received the name of New England from the Prince of Wales (afterwards Charles I.). About the same time, also, a grant of the island of Barbadoes, which had been taken possession of for the King of England by an English ship returning from Guinea in 1605, was obtained from James by his lord treasurer, Lord Leigh, afterwards Earl of Marlborough, for himself and his heirs in perpetuity; and, under his sanction, a settlement was made upon it, and the town of James Town founded, in 1624, by a colony sent out at the expense of Sir William Courteen, or Courten, an opulent and spirited merchant

of London. Various schemes had also been entertained and some of them in part carried into effect, though they all failed in the end, for establishing English colonies in the island of Newfoundland, and on the eastern coast of South America. But, even at the close of this reign, the parent colony of Virginia was still far from being in a satisfactory state, or holding out a complete assurance of stability and ultimate success. One of the last acts of James's government was to commission a number of noblemen and gentlemen to make inquiry into the condition of that colony: the courses taken for settling which, his majesty declares, had not had the good effect intended—a previous commission having reported that most of the persons sent thither had either died by sickness and famine, or been massacred by the natives; and that such as still survived were in lamentable necessity and want; notwithstanding all which, however, the commissioners conceived the country to be both fruitful and healthful, and that, if industry were used, it would produce many good staple commodities, though, by the neglect of the governors and managers, it had as yet produced few or none.

There was one commodity now beginning to be raised in Virginia, their cultivation of which would hardly contribute to recommend the settlers to James's favour. A considerable portion of his majesty's literary fame rested upon his singular treatise entitled "A Counterblast to Tobacco," in which he assails the use of that herb with every form of pedantic invective. Not satisfied with this grand display of declamatory pyrotechnics, he issued, besides, in the course of his reign, a succession of royal proclamations in denunciation of tobacco, some of which are almost as tempestuous as his book. In 1604, while as yet all the tobacco imported came from the Spanish West Indies, he took it upon him, without the consent of parliament, to raise the duty upon it from twopence to six shillings and tenpence a pound, with the professed object of preventing the enormous inconveniences proceeding, as he declared, from the great quantity of the article daily brought into the realm. "Tobacco," says

the commission directed upon this occasion to the lord-treasurer, "being a drug of late years found out, and brought from foreign parts in small quantities, was taken and used by the better sort, both then and now, only as physic to preserve health; but it is now at this day, through evil custom and the toleration thereof, excessively taken by a number of riotous and disorderly persons of mean and base condition, who do spend most of their time in that idle vanity, to the evil example and corrupting of others, and also do consume the wages which many of them get by their labour, not caring at what price they buy that drug: by which the health of a great number of our people is impaired, and their bodies weakened and made unfit for labour." In his "Counterblast" he affirms that some gentlemen bestowed three, some four hundred pounds a-year "upon this precious stink;" an estimate in which the royal pen must surely be understood to be running on in poetic numbers. When the Virginian colonists began to cultivate tobacco, James complained that they made so much as to overstock the market; and in 1619 he issued a proclamation commanding that the production of it should not exceed the rate of a hundred weight for each individual planter. In this regulation, however, his majesty appears to have had an eye to the interests of the royal revenue as well as to the health of his people; for he at the same time confines the right of importing the commodity to such persons as he should license for that purpose; in other words, he takes the monopoly of it into his own hands, and avows it to be his object to raise its price. In a proclamation of the next year enforcing this restriction upon the cultivation of the plant, which had not been strictly attended to, he again inveighs against the use of tobacco, as "tending to a general and new corruption of men's bodies and manners." Nevertheless he holds it, "of the two, more tolerable that the same should be imported, amongst many other vanities and superfluities which come from beyond seas, than to be permitted to be planted here within this realm, thereby to abuse and misemploy the soil of this fruitful kingdom." At length, in the last

year of his reign, on the petition of the House of Commons, James consented to prohibit the importation of all tobacco except such as should be of the growth of the English plantations; but this he professed to do without any abatement of his old and well-known aversion to the useless and pernicious weed, and solely because he had been often and earnestly importuned to that effect by many of his loving subjects, planters and adventurers in Virginia and the Somers Isles, on the ground that those colonies were but yet in their infancy, and could not be brought to maturity unless he should be pleased for a time to tolerate their planting and vending of tobacco. The proclamation also strictly prohibited the introduction of any tobacco from Scotland or Ireland; but it appears, from many more proclamations that were issued in the course of the next reign, absolutely forbidding the cultivation of the herb in any of the home dominions of the crown, that it continued to be raised in large quantities for a long time after this in England itself, as well as in both those countries.

The march both of colonization and of commerce appears to have been considerably accelerated during the space that elapsed from the accession of Charles I. to the breaking out of the war between the king and parliament. In the first year of his reign, Charles, on the ground that such a colony was not best managed by an incorporated company, "consisting of a multitude of persons of various dispositions, amongst whom affairs of the greatest moment are ruled by a majority of votes," ordained by a proclamation that the government of Virginia should henceforth depend immediately on himself, and be administered by a governor and resident council appointed by the crown and acting in subordination to the privy council at home. In making this change, Charles treated the charter of the Virginia Company as having been annulled by his father; and James, indeed, in his proclamation of the preceding year, already quoted, declares that, having by the advice of his privy council resolved to alter the charters of the said company as to points of government, and the treasurer and company not

submitting thereto, "the said charters are now avoided by a *quo warranto*." Charles, however, in his proclamation does not rest the right of the crown altogether upon this revocation; he broadly advances the principle that these colonies, and, by implication, all others founded or occupied by English subjects, were essentially a portion of the dominion of the mother country:—"considering, also," are his words, "that we hold those territories of Virginia and the Somers Isles, as also that of New England, lately planted, with the limits thereof, to be a part of our royal empire." It is said that by this time the Virginian companies had expended a capital of not less than 200,000*l.*, from which they had as yet derived but a very inadequate return, so that many of the original adventurers, thoroughly weary of the speculation, had sold their shares for what they would bring. The failure of their expectations, however, did not check other attempts of the same kind. Almost all the West India islands not previously settled upon were taken possession of and colonized within a few years from this date. In 1627 an English and a French company divided the island of St. Christophers between them; and the next year the English added to the territory in their occupation the neighbouring small isle of Nevis, and also sent off a detachment of their body to Barbuda, as they likewise did others in subsequent years to Montserrat and Antigua. Meanwhile, in 1629, Charles confirmed a former grant to James Hay, Earl of Carlisle, and to his heirs for ever, of all the Caribbee Islands, as they were called, including both those that have just been mentioned and also Barbadoes, with regard to which an arrangement had been made with the former grantee, the Earl of Marlborough. That same year he granted in perpetuity to Sir Robert Heath and his heirs all the Bahama or Lucaya Isles, together with what was then called the Province of Carolana on the Continent of North America, being the immense region now forming the States of North and South Carolina, Georgia, Tennessee, and the southern part of Louisiana. This vast territory was afterwards conveyed by Heath to the Earl

of Arundel, who had planted some parts of it before the civil wars at home interrupted his operations. The Bahama Islands are also believed to have been begun to be planted about this time. In 1632 a part of what had till now been considered as the territory of Virginia was granted by Charles to be held in free and common socage by Lord Baltimore, his majesty at the same time giving it the name of Maryland, in honour of the queen. Lord Baltimore was a Roman Catholic; and Maryland, which began to be colonized within two years from the date of the charter, afterwards formed the main refuge of the persons of that religion who were driven by the severity of the penal laws from England, greatly to the perturbation and rage of their puritan neighbours in Virginia, who made several attempts to drive the idolaters from a soil which, besides its having been thus desecrated, they regarded as rightfully belonging to their own colony. And in 1641, after the failure of a similar attempt made some years before, an English colony was settled, at the expense of Lord Willoughby, in Surinam, on the southern continent of America,—the Guiana the dream of whose gold mines lured on Raleigh to his fatal expedition.

The course of the growth and extension of the foreign commerce of the country during this interval is marked by few incidents requiring to be specially recorded, but the general results show that the progress made must have been considerable. An account of the height to which the trade of England had arrived in 1638 is given by Lewes Roberts in his work entitled "*The Merchant's Map of Commerce*," published at London in that year; and a summary of what is most material in his statements, with a few additional notices from other sources, will be sufficient for our present purpose. Roberts, a native of the principality, is almost as eloquent in some passages as his countryman Fluellin; but even his flourishes have their value as expressing something of the high tone and bearing which English merchants now assumed. He enters upon his description all but overwhelmed by the magnitude to which the commerce of

his country had attained, scarcely allowing himself to hope that it can long continue of the same extent, and almost afraid to advert to anything apparently so extravagant, and merely within the limits of possibility, as the notion that it should ever become greater than it was. "When I survey," he exclaims, "every kingdom and great city of the world, and every petty port and creek of the same, and find in each of these some English prying after the trade and commerce thereof, . . . I am easily brought to imagine that either this great traffic of England is at its full perfection, or that it aims higher than can hitherto by my weak sight be either seen or discerned. I must confess England breeds in its own womb the principal supporters of its present splendour, and nourisheth with its own milk the commodities that give both lustre and life to the continuance of this trade, which I pray may neither ever decay, nor yet have the least diminution. But England being naturally seated in another corner of the world, and herein bending under the weight of too ponderous a burden, cannot possibly always and for ever find a vent for all those commodities that are seen to be daily imported and brought within the compass of so narrow a circuit; unless there can be by the policy and government of the state a mean found out to make this island either the common emporium and staple of all Europe, or at leastwise of all these our neighbouring northern regions."* He then proceeds to observe that English commerce was formerly confined to the export of the staple merchandise of the country, "such as are cloths, lead, tin, some new late draperies, and other English real and royal commodities," and to the import from foreign parts of mere supplies for ourselves; but that "the late great traffic of this island hath been such that it hath not only proved a bountiful mother to the inhabitants, but also a courteous nurse to the adjoining neighbours;" so that whatever trade they had lost we had gained, and they now obtained a large portion of what

* Map of Commerce, fol. Lon. 1638, Part ii. p. 257.

they consumed of the produce of distant parts of the world through the medium of England.* Thus England, he proceeds, had fallen into the traffic with India, Arabia, and Persia, which was formerly enjoyed by Venice, and now furnished that very city plenteously with the rich commodities of these eastern countries. London also supplied the place of Venice to the rest of Italy. To France England still brought the excellent commodities of Constantinople, Alexandria, Aleppo, and the rest of the Turkish dominions, the French having almost lost their own trade with those parts. Nay, to the Turks themselves England now conveyed the precious spices of India, after their own merchants had ceased to carry on that trade. "Will you," continues our author, "view Muscovia, survey Sweden, look upon Denmark, peruse the East Country and those other colder regions; there shall you find the English to have been; the inhabitants, from the prince to the peasant, wear English woollen livery, feed in English pewter, sauce with English Indian spices, and send to their enemies sad English leaden messengers of death. Will you behold the Netherlands, whose eyes and hearts envy England's traffic, yet they must perforce confess, that, for all their great boasts, they are indebted to London for most of their Syria commodities, besides what of other wares else they have of English growth. Will you see France, and travel it from Marselia to Calais, though they stand least in need of us, yet they cannot last long without our commodities. And for Spain, if you pry therein from the prince's palace to the poor man's cottage, he will *voto a Dios* [vow to God] there is no clothing comparable to the English bay, *nor pheasant excelling a seasonable English red herring!*" So ambitious a burst of rhetoric might have had a more imposing close; but the red herring serves not ill to introduce the more calm and prosaic statement of particu-

* The original is a little obscure here, apparently through some typographical error; but, from what follows, the sense of the passage appears to be as we have given it.

lars to which Mr. Roberts now descends from these extensive general views.

In a letter written to King James, in support of the complaints of the Merchant Adventurers against the patent or charter granted, as mentioned in a former page, to Alderman Cockayne, the great Bacon says, "I confess I did ever think that trading in companies is most agreeable to the English nature, which wanteth that same general view of a republic which runneth in the Dutch, and serves them instead of a company." And this appears to have been the common notion of the times; whatever trade was carried on by private individuals was as yet considered to be of very secondary importance. In this feeling our author begins his enumeration with the East India Company, who, he says, trading to Persia, India, and Arabia, export to these countries our English commodities, and bring back thence "pepper, cloves, maces, nutmegs, cottons, rice, calicoes of sundry sorts, bezoar stones, aloes, borax, calamus, cassia, mirabolans, myrrh, opium, rhubarb, cinnamon, sanders, spikenard, musk, civet, tamarinds, precious stones of all sorts, as diamonds, pearls, carbuncles, emeralds, jacynts, sapphires, spinals, turques, topazes, indigo, and silks, raw and wrought into sundry fabrics, benjamin, camphire, sandal-wood, and infinite other commodities." "And, though in India and these parts," he adds, "their trade equalizeth not neither the Portugals nor the Dutch, yet in candid, fair, and merchant-like dealing, these Pagans, Mahometans, and gentiles hold them in esteem far before them, and [they] deservedly have here the epithet of far more current and square dealers. And, although for the present this trade and company do suffer under some adverse clouds, and groan under some unkind losses by the falsehood of the Netherlanders, and sad accidents at sea, yet their adventures and acts are praiseworthy, and their fair endeavours for England's honour in point of trade meriteth due commendations and just applause." The affairs of the company, in truth, had been all this reign in a very depressed state. In May, 1628, their stock had fallen to 80 per cent., or to less than two-

fifths of the price at which it had sold eleven years before. At length in 1631, a new stock of 420,000*l.* was raised with great difficulty. But, while they were still struggling with inadequate means and with the hostility of the Dutch and Portuguese abroad, they were suddenly involved in still more serious embarrassments by a flagrant violation of their charter on the part of the king, who in December, 1635, granted a new charter to Sir William Courten and others to trade for five years to Goa, Malabar, China, and Japan. Under this authority Courten and his associates the next year fitted out and dispatched some ships on an adventure, in the course of which they became embroiled first with the Mogul, and then with the Chinese; the former of whom made reprisals upon the property of the original company, while the latter declared the English, with whom they were now brought into contact for the first time, to be the enemies of the empire, and as such to be for ever excluded from its ports. By these and other proceedings, it was estimated that this new company, whose charter was confirmed and extended by the king in 1637, had injured the old company to the amount of fully 100,000*l.* before it was dissolved in 1646, by which time it had also, according to their own account, occasioned a loss to Courten and his associates of above 150,000*l.*

The Turkey Company is the next that Roberts notices. Of this body he says, "Not yearly, but monthly, nay, almost weekly, their ships are observed to go to and fro, exporting hence the cloths of Suffolk, Gloucester, Worcester, and Coventry, dyed and dressed, kerseys of Hampshire and York, lead, tin, and a great quantity of the abovesaid India spices, indigo, and calicoes; and in return thereof import from Turkey the raw silks of Persia, Damasco, Tripoly, &c.: galls of Mosolo and Toccoat; chamlets, grograms, and mohairs of Angora; cottons and cotton-yarn of Cyprus and Smyrna, and sometimes the gems of India, and drugs of Egypt and Arabia, the muscadins of Candia, the corance (currants) and oils of Zante, Cephalonia, and Morea, with sundry others." The mention of cotton by Roberts in these accounts of

the exports of the East India and Turkey companies appears to have been generally overlooked; the earliest notice either of the English cotton manufacture or of the import of the raw material being commonly stated to be that found in his subsequent work, "The Treasure of Traffic," published in 1641, where it is said, "The town of Manchester, in Lancashire, must be also herein remembered, and worthily for their encouragement commended, who buy the yarn of the Irish in great quantity, and, weaving it, return the same again into Ireland to sell. Neither doth their industry rest here; for they buy cotton-wool in London that comes first from Cyprus and Smyrna, and at home work the same, and perfect it into fustians, vermillions, dimities, and other such stuffs, and then return it to London, where the same is vented and sold, and not seldom sent into foreign parts, who have means at far easier terms to provide themselves of the said first materials." This account implies that the cotton manufacture had already reached a point of considerable advancement, so that it must have been established for some years at the time when the "Treasure of Traffic" was written. Various old acts of parliament and other authorities, it may be observed, make mention of Manchester cottons and cotton-velvets before the seventeenth century; but it is certain that the fabrics so denominated were all really composed of sheep's wool. The manufacture of cottons, properly so called, in England cannot be traced farther back than to the period with which we are now engaged, the early part of the reign of Charles I.

The Ancient Company of the Merchant Adventurers is the third in Roberts's list. They are described as furnishing the cities of Hamburgh, Rotterdam, and others in the Netherlands with English cloth of sundry shires, and some other commodities, monthly, and as bringing back thence to England tapestries, diaper, cambrics,* Hollands, lawns, hops, mather, (madder), steel, Rhenish wines, and many other manufactures, as blades, stuffs, soap, latten, wire, plates, &c. In 1634 the Company of Merchant Adventurers, whose exclusive

privileges we have seen denounced by the House of Commons ten years before, had found means to induce Charles to issue a proclamation which restored their monopoly by strictly prohibiting the exportation of "any white cloths, coloured cloths, cloths dressed and dyed out of the whites, Spanish cloths, baizes, kerseys, perpetuanos, stockings, or any other English woollen commodities," to any part either of Germany or the Netherlands, except to the marts or staple towns of the company. It was alleged by their enemies that both now and on former occasions the company were indebted for the favour shown them to the new-year's gifts with which they bribed the courtiers or officers of state. It is asserted, for instance, that, in the year 1623, the lord treasurer was presented by them with two hundred broad pieces of gold, besides a piece of plate; and that other presents were also then made to the Duke of Buckingham, the *Archbishop of Canterbury*, the Lord Keeper, the Lord President, the Secretaries of State, &c.*

The Eastland and Muscovy (or Russian) Companies are stated to "export principally cloth, as the best commodity, as also tin, lead, with some spices of India, and other southern commodities, and to bring home ashes, clapboard, copper, deals, firs, rich furs, masts, pipe-staves, rye, timber, wainscot, wheat, fustians, iron, latten, linen, mathers, quicksilver, flax, hemp, steel, caviare, cordage, hides, honey, tar, ropes, tallow, pitch, wax, rosin, and sundry others." The exports of the French Company were cloths, kerseys, and bays of English manufacture, with galls, silks, and cottons from Turkey; their imports, buckrams, canvas, cards, glass, grain, linens, salt, claret, and white wines, woad, oils, almonds, pepper, with some silk stuffs and some other petty manufactures. England and France, however, were at this time, as they have continued to be, with little interruption, down almost to the present day, jealous rivals, when they were not open enemies, in

* These allegations are made in a treatise entitled *Free Trade*, by J. Parker, published in 1648.—*Anderson*, ii. 358.

trade as in everything else, and the commercial intercourse between them was extremely insignificant. Although Roberts here speaks of the French Company, it does not appear that the English merchants trading to France were really incorporated. The merchants trading to Spain, he proceeds to inform us, carried to that country bays, says, serges, perpetuanos, lead, tin, herrings, pilchards, salmon, Newland (Newfoundland) fish, calf-skins, with many other commodities; and brought back wines of Xeres, Malaga, Bastard, Candado, and Alicant, rosins (or resins), olives, oils, sugars, soaps, anise-seeds, licorice, soda barillia, pate (?), and sundry West India commodities. This account embraces also the trade with Portugal, for the present united under the same sovereignty with Spain; although in 1640, two years after the publication of Roberts's book, the great revolution which placed the Duke of Braganza on the Portuguese throne again separated the two countries for ever,—an event, which, by depriving Spain of the Portuguese possessions in the East Indies, compelled her to depend upon the English and Dutch for her supplies of the produce of that part of the world, and thereby opened a new and valuable field to the trade of both these nations. “The merchants of England trading into Naples, Sicilia, Genoa, Leghorn, and Venice, &c., which I term Italy, are not,” says our author, “observed to have any joint society or company:” but, trading separately, they export to Italy, he tells us, “bays, says, serges, perpetuanos, kerseys, lead, tin, cloth, and many other native commodities, besides pepper, indigo, cloves, and other Indian commodities in great abundance: and for returns thence have cloths of gold and silver, satins, velvets, taffetas, plushes, tabins (?), damasks, alum, oils, glass, anise-seeds, rice, Venice gold and silver, great quantity of raw silks of sundry sorts, and divers other commodities.” “And here likewise,” he adds, repeating nearly the same formula with which he has wound up every preceding paragraph, “all other foreign nations give willingly place to the English, as the prime and principal merchants that either abide amongst them, or negotiate

with them." Of some other branches of our commerce he gives merely a naked enumeration ; thinking it unnecessary "to insist upon the reliques of that famous Barbary trade," or to mention "the petty adventures of the English to Guinea and Beny (or Benin) ;" "neither," says he in conclusion, "need I nominate the homeland commerce of this kingdom to Scotland and Ireland ; neither go about to particularise the large traffic of this island to their late plantations of Newfoundland, Somers Islands, Virginia, Barbadoes, and New England, and to other places which rightly challenge an interest in the present trade and traffic of this kingdom."

The comparative activity and prosperity of the national industry at this time is also indicated by various improvements that were now introduced. Hackney coaches are said to have made their first appearance in London in the year 1625. They were then only twenty in number for the whole of the capital and contiguous parts, and they did not ply in the streets, but were sent for by those who wanted them to the stables of certain inns, where they stood. Ten years later, however, we find the king publishing a proclamation, in which he declares that the great numbers of hackney coaches of late time seen and kept in London, Westminster, and their suburbs, and the general and promiscuous use of coaches there, were not only a great disturbance to his majesty, his dearest consort the queen, the nobility, and others of place and degree, in their passage through the streets ; but the streets themselves were so pestered, and the pavements so broken up, that the common passages were hindered and made dangerous, and besides the prices of hay and provender made exceeding dear. "Wherefore," concludes the proclamation, "we expressly command and forbid that no hackney or hired coaches be used or suffered in London, Westminster, or the suburbs thereof, except they be to travel at least three miles out of the same. And also that no person shall go in a coach in the said streets, except the owner of the coach shall constantly keep up four able horses for our service when required." Such an edict as this, so

insolent in its tone, so arbitrary and absurd in its exactions, enables us to measure the distance between the sixteenth and the nineteenth century,—between English freedom as it existed before the civil wars and as it now exists. Two years later the first mention of the licensing of hackney coaches occurs, in a commission directed to the Marquess of Hamilton, the master of the horse, in which his majesty admits that he finds it very requisite for his nobility and gentry, as well as for foreign ambassadors, strangers, and others, that there should be a competent number of such vehicles allowed for their use; and empowers the marquess to license fifty hackney coachmen for London and Westminster, each to keep no more than twelve horses a-piece, and so many in other cities and towns of the kingdom as in his wisdom he should think to be necessary, all other persons being prohibited to keep any hackney coach to let or hire, either in London or elsewhere. In 1634, also, sedan chairs had been brought into use by Sir Sanders Duncomb, to whom the king granted the sole privilege of letting them to hire for fourteen years, the patent declaring that the streets of London and Westminster and their suburbs had been of late so much encumbered with the unnecessary multitude of coaches, that many of his majesty's subjects were thereby exposed to great danger, and the necessary use of carts and carriages for provisions was much hindered; whereas Sir Sanders had represented that in many parts beyond sea people were much carried about in covered chairs, whereby few coaches were used amongst them. If the inditer of this description of the terrors of the London streets from the crowd of coaches in the year 1634 could be brought back out of his grave, it would be amusing to see how he would look when he found himself in the midst of the torrent and tumult of Regent Street or Piccadilly in the present day. Another of the patents of the same year deserves notice,—that granting to John Day, citizen and sworn broker of London, the sole privilege of vending for fourteen years a certain weekly bill of the several rates or prices of all commodities in the principal cities of

Christendom, which it seems he had printed and published for the three preceding years. The patent recites that this practice of publishing a price-current for the use of the commercial world had "never yet been brought here to that perfection answerable to other parts beyond sea;" "by which neglect," adds his majesty, "within our city of London (being one of the mother cities for trade in all Christendom) our said city is much disgraced, and our merchants hindered in their commerce and correspondence." The next year produced a more important novelty,—the first establishment of a regular, though limited, system of internal posts. James I. had originally established a post-office for the conveyance of letters to and from foreign parts; and the control and profits of this foreign post-office, which is described as for the accommodation of the English merchants, had been confirmed and continued to William Frizell and Thomas Witherings, by Charles, in 1632. But the origin of the home post-office dates only from 1635. Up to this time, his majesty observes, in a proclamation on the subject, there had been no certain intercourse between the kingdoms of England and Scotland; wherefore he now commands his postmaster of England for foreign parts to settle a running post or two, to run night and day between Edinburgh and London, to go thither and come back again in six days; and to take with them all such letters as shall be directed to any post-town in or near that road. Bye-posts are, at the same time, ordered to be connected with several places on the main line to bring in and carry out the letters from and to Lincoln, Hull, and other towns. A similar post to Chester and Holyhead, and another to Exeter and Plymouth, are at the same time ordered to be established; and it is promised that as soon as possible the like conveyances should be settled for the Oxford and Bristol road, and also for that leading through Colchester and Norwich. The rates of postage are fixed at two-pence the single letter for any distance under eighty miles; four-pence up to a hundred and forty miles; six-pence for any longer distance; eight-pence to any place

in Scotland. It is ordered that no other messengers nor foot-posts shall carry any letters, but those alone which shall be employed by the king's post-master-general, unless to places to which the king's posts do not go, with the exception of common known carriers, or messengers particularly sent on purpose, or persons carrying a letter for a friend. The mode of conveyance contemplated in this scheme was by persons riding on horseback, which indeed continued to be the general system of our post-office down to within the last fifty or sixty years; the proclamation directs that two-pence-halfpenny per mile shall be paid on the roads to the several post-masters for every single horse carrying the letters. We may observe that, if this post established by Charles I. actually made out the distance between London and Edinburgh in three days, it was a quicker conveyance than the public were possessed of a century later. "The conveyance of post-letters," says Giles Jacob, in the second edition of his *Law Dictionary*, published in 1732, extends to every considerable market-town, and is so expeditious that every twenty-four hours the post goes six score miles." But at the rate appointed in Charles's proclamation the post between Edinburgh and London must have gone fully seven score miles in the twenty-four hours. It is believed, however, that the project was not fully carried into effect. Witherings, who was now inland as well as foreign postmaster, was superseded in 1640 for abuses in the execution of both his offices; and they were sequestered into the hands of Philip Burlamachy, to be exercised henceforth under the care and oversight of the king's principal secretary of state. From that date, therefore, the Post-Office may be considered as a public establishment.

The continued growth of London affords another proof of the advancing condition of the national commerce, industry, and wealth. Repeated proclamations were published both by James and Charles, as they had been by Elizabeth, with the view of checking the further increase of the capital, which all forcibly attest how irresistibly the evil, as they imagined it to be, made head

against their most strenuous efforts. One proclamation of Charles, in 1630, forbade the erecting of any houses or new foundations in London, Westminster, or within three miles of any of the gates of London or of the palace of Westminster; and also the entertaining of additional inmates in houses already existing, "which," says his majesty, "would multiply the inhabitants to such an excessive number that they could neither be governed nor fed." Another measure, repeatedly adopted by both these kings, was to order all mere visitors to the capital to leave it and go back to their homes in the country. In 1617 a proclamation by King James strictly commanded all noblemen, knights, and gentlemen, who had mansion-houses in the country, to depart within twenty days, with their wives and families, out of the city and suburbs of London, and to return to their several habitations in the country, there to continue and abide until the end of the summer vacation, "to perform the duties and charge of their several places and service; and likewise, by house-keeping, to be a comfort unto their neighbours, in order to renew and revive the laudable custom of hospitality in their respective counties." None were to be allowed to remain, except those having urgent business, to be signified to, and approved by, the privy council. Again, in 1622, in one proclamation he commanded all noblemen and gentlemen, having seats in the country, forthwith to go home to celebrate the feast of Christmas, and to keep hospitality in their several counties,—"which" said he, "is now the more needful, as this is a time of scarcity and dearth;" and, in a second, he enjoined the persons thus relegated to the country to remain there till his further pleasure should be known, adding, that the order should be held to include widows of distinction, and that all such lords and gentlemen as had law-business to bring them up to London should leave their wives and children in the country.

Of many proclamations of the same kind issued by Charles we shall notice only one, of the year 1632, in which his majesty argues that, by the nobility and gentry

residing in London with their families, a great part of their money and substance was drawn away from the several counties whence it arose, "and spent in the city on excess of apparel, provided from foreign parts, to the enriching of other nations, and the unnecessary consumption of a great part of the treasure of this realm, and in other vain delights and expenses, even to the wasting of their estates." The practice, it is added, also drew great numbers of loose and idle people to London and Westminster, which thereby were not so easily governed as formerly; besides that the poor-rates were increased, and the price of provisions enhanced. Much of all this wisdom of our ancestors is sufficiently absurd; but in regard to the point last touched upon here it is but fair to remember, that, from the difficulties of conveyance between one part of the country and another, any extraordinary accumulation of people upon one spot was in those days reasonably regarded with more alarm, for the pressure it might occasion upon the local provision-market, than it would be now, when the whole kingdom is in a manner but one market. Still, no doubt, the right way to treat the inconvenience was, as with all such mere economic tendencies, to leave it to correct itself.

Howel, in his *Londinopolis*, published in 1657, observes that the Union of the two crowns of England and Scotland, by the accession of James in 1603, conduced not a little to unite also the two cities of London and Westminster, which were once above a mile asunder; "for," says he, "the Scots, greatly multiplying here, nestled themselves about the court; so that the Strand, from the mud walls and thatched cottages, acquired that perfection of buildings it now possesses." Some years after James's accession, however, we find St. Giles's-in-the-Fields still spoken of, in an act of parliament for paving it, as a town separate from the capital: it and the lane called Drury Lane, leading from it to the Strand, are described in the act as "of late years, by occasion of the continual road there, and often carriages, become deep, foul, and dangerous to all that pass those ways."*

* Stat. 3 Jac. I. c. 22 (1606).

But before the beginning of the civil wars St. Giles's, too, had been completely united to the body of the great congeries upon the outskirts of which it formerly hung apart: and a large portion of what was now known as the capital, including Clare Market, Long Acre, Bedfordbury, and the adjoining ranges of streets, stood upon the soil of the parish of St. Giles's-in-the-Fields. "The very names of the older streets about Covent Garden," observes a writer about the middle of the last century, in a passage which furnishes a curious and comprehensive retrospect of these and also of some subsequent changes, "are taken from the royal family at this time (some, indeed, in the reign of King Charles II., as Catherine Street, Duke Street, York Street, &c.), such as James Street, King Street, Charles Street, Henrietta Street, &c., all laid out by the great architect Inigo Jones, as was also the fine piazza there; although that part where stood the house and gardens of the Duke of Bedford is of a much later date, namely, in the reigns of King William and Queen Anne. Bloomsbury and the streets at the Seven Dials were built up somewhat later, as also Leicester Fields, namely, since the restoration of King Charles II., as were also almost all St. James's and St. Anne's parishes, and a great part of St. Martin's and St. Giles's. I have met with several old persons in my younger days who remembered that there was but one single house (a cake house) between the Mews Gate at Charing Cross, and St. James's Palace Gate, where now stand the stately piles of St. James's Square, Pall Mall, and other fine streets. They also remembered the west side of St. Martin's Lane to have been a quickset hedge. Yet High Holborn and Drury Lane were filled with noblemen's and gentlemen's houses almost one hundred and fifty years ago. Those fine streets on the south side of the Strand, running down to the River Thames, have all been built since the beginning of the seventeenth century, upon the sites of noblemen's houses and gardens who removed farther westward, as their names denote. Even some parts within the bars of the city of London remained unbuilt within about one hundred and fifty

years past, particularly all the ground between Shoe Lane and Fewter's (now Fetter) Lane, 'so called,' says Howel, in his *Londinopolis*, 'of Fewters (an old appellation of idle people) loitering there, as in a way leading to gardens;' which in King Charles I.'s reign, and even some of them since, have been built up into streets, lanes, &c. Several other parts of the city, it is well known, have been rendered more populous by the removal of the nobility, &c., to Westminster liberties; on the sites of whose former spacious houses and gardens whole streets, lanes, and courts have been added to the city since the death of Queen Elizabeth."* In 1609, it may here be mentioned, what is called the New River, by which the greater part of the metropolis is still supplied with water, was, after three years' labour, brought into the reservoir at Clerkenwell, by the enterprising and public-spirited projector, Mr. Hugh Middleton, citizen and goldsmith of London, who was thereupon knighted by King James. One of the patents granted by King Charles in 1630 was for the conveying of certain springs of water into London and Westminster from within a mile and a half of Hodsdon in Hertfordshire, after the plan of a projector named Michael Parker. This scheme, however, does not appear to have taken effect, and it only deserves notice from the circumstance that, to defray their expenses,—a considerable item of which was to be a payment of 4000*l.* a-year into the king's exchequer—the royal grant gave the undertakers "a special licence to erect and publish a lottery or lotteries," "according," it is added, "to the course of other lotteries heretofore used or practised." Lotteries had been for more than half a century before this occasionally resorted to by the government for raising money for particular purposes; the earliest on record, it is said, having occurred in the year 1569, when 20,000*l.* was raised for the repair of certain harbours by the sale of 40,000 tickets at ten shillings each, the prizes being articles of plate. Another lottery was drawn under the sanction of public authority

* Anderson, *Hist. of Com.* ii. 390.

in the reign of James I., to defray the expenses attending certain of the early settlements in America.

The commercial history of the remainder of the present period will not detain us long. The trade and industry of the country in all their branches suffered of necessity considerable depression during the continuance of the war; but, after the re-establishment of tranquillity and a settled government, great pains were taken by the parliament and by Cromwell to bring about their revival, and, on the whole, with very considerable success.

We shall first enumerate the few facts requiring notice in the history of the several great chartered companies. In 1643 a number of the proprietors of the East India Company were at length induced to subscribe a new stock, but only to the inadequate amount of 105,000*l*. Great part of this money was soon after lost in various ways; and for some years the trade could scarcely be said to be carried on at all. It is worthy of remark, however, that it was during this period the company acquired two of its most important possessions, the town of Madraspatnam, or Madras, long the seat of their supreme government in India, and still the capital of one of the presidencies, which was ceded to them by the sovereign of the country in 1643; and the island of St. Helena, of which they took possession in 1651, on its abandonment by the Dutch. Meanwhile, in 1649, a subscription for a new stock had been opened; but, although encouraged by the parliament, it proceeded slowly, and by the following year had only produced about 192,000*l*. With a small part of this they soon after engaged in the Guinea trade, a charter to carry on which for five years they obtained from the parliament in 1651. In 1654, on the conclusion of peace with Holland, commissioners from both parties were appointed to settle the claims brought by the English and Dutch companies against each other for depredations and other injuries committed before the war; when the English gave in an account of 2,795,990*l*. 19*s.*, which the Dutch met by one of 2,919,861*l*. 3*s.* 6*d.*; but, in the end, the commissioners decided that a sum of 85,000*l*. should be paid by the

Dutch, besides about 3600*l.* to the heirs of certain of the sufferers of Amboyna,—an award for which the English Company was probably as much indebted to the humbled condition of the United Provinces at the moment as to the clear justice of the case. For some years longer, however, the company's trade could hardly be said to exist. Any private adventurer who chose to fit out a ship for India was connived at by the government in violating their privileges, so that the company, as a body, carried on what little trade they did merely for the sake of preventing their charter from being abrogated on the pretext that they made no use of it, and in the hope of better times. It is said, too, that in the scramble for the Indian trade which now ensued,—at once inundating India with the manufactures of England and England with the produce of India,—the interlopers in general made as scanty profits as the company, so that at last most of them joined in urging upon the government the re-establishment of the old exclusive system. Their so acting, however, is not decisive as to the absolute failure of the experiment of a free-trade that had thus been tried, inasmuch as their proposition was avowedly made with the view of becoming themselves members of the company when it should be set up again with a new stock and a new charter. Still it is probable that commercial enterprise was not yet sufficiently advanced in England to have enabled the country to carry on the Indian trade successfully by the mere efforts of individuals against the powerful rivalry of the Dutch and Portuguese monopolies. At last, in October, 1657, a new charter was granted to the company for seven years, after they had actually, in despair of obtaining the protection of the government, put up bills in the Royal Exchange in the preceding January, offering their property and their privileges, such as they were, for sale. On this a new stock of about 370,000*l.* was raised, which immediately placed the affairs of the company in a flourishing condition, and enabled it to carry on the trade with a spirit and success which continued without interruption or abatement till the Restoration. A short paragraph from the annalist of our Indian

commerce, whom we have chiefly followed in this summary, will explain the state of its establishments abroad at the close of the present period. "In the infancy of the company's commerce, Bantam was the chief factory, to which all the others were subordinate; and so they continued till the year 1638 or 1639, when Surat became the chief establishment, and the factories of Bantam, Fort St. George (or Madras), Hooghly in Bengal, and those in Persia, were made subordinate to it. In the year 1660 the company sent out orders to give up the inland factories of Agra and Amadavad, as also Mocha in the Red Sea, and Bussorah at the head of the Persian Gulf. Their port of Gombroon being of doubtful utility, it was referred to further consideration whether it should be kept up or abandoned. It was determined to retain Carwar, Calavella, Rajapore, and Scindy as long as the customs in Persia should continue to be paid; and these factories were made subordinate to Surat. The factories on the coast of Coromandel and in the Bay of Bengal were put under one agent at Fort St. George (or Madras), who was directed to use his best endeavours to obtain a settlement in Ceylon.' *

The trade in woollens with the Netherlands and Germany, carried on, as heretofore, by the company of Merchant Adventurers, continued in a very prosperous condition during all the time of the Commonwealth. In 1647 the company removed their comptoir, or foreign residence, from Delft to Dort, and here they remained, notwithstanding repeated invitations from the magistrates of Bruges to return to that city, in which they had originally fixed themselves, till about the year 1651, when they began to remove to Hamburgh, which soon after became the sole staple for the English woollen trade. An ordinance of the Lords and Commons in 1643 granted a new and more ample charter to the Levant Company, "which," said the ordinance, "beside the building and maintaining of divers great ships, and the venting of kerseys, sayes, perpetuanos, and several

* Macpherson, Hist. of European Com. with India, p. 125.

other commodities, hath been found very serviceable to this state, by advancing navigation and transporting into foreign parts, for several years together, above 20,000 broad-cloths, besides other commodities, dyed and dressed in their full manufacture." Among the productions of the East soon after this imported in considerable quantities by the Levant Company, was coffee. It is said that coffee was first introduced into England in 1652 by a Turkey merchant of the name of Edwards, who had brought home with him a Greek servant accustomed to make it, and whom he set up in a coffee-house in St. Michael's Alley, Cornhill, on the spot where the Virginia Coffee-house now stands. The valuable privileges of the Russian Company were taken from them by the czar a short time before King Charles's death, on the pretence that certain members of the company had taken an active part on the side of what the czar considered a rebellion against their lawful sovereign; but it appears that whatever resentment may have been entertained against them on that account was at least very dexterously taken advantage of by the Dutch, who seized the opportunity of bargaining for a share of the Archangel trade on condition of paying a duty of fifteen per cent. on all exports and imports. For some years after this the English trade to Russia seems to have been almost suspended; nor did a sort of embassy, sent to the czar, or emperor as he styled him, by Cromwell in 1654, succeed in obtaining more than some very petty concessions.

Till the year 1641 the only produce of the island of Barbadoes consisted of very bad tobacco and a little cotton and ginger; but in that year some of the planters procured a few sugar-canes from Fernambuc in Brazil, which throve so well, that, after a season or two, a small ingenio, or mill for the manufacture of sugar, was set up in the island. Yet in 1647, when Ligon, the author of the "*History of Barbadoes*," who gives this account, arrived in the island, although there were then many sugar-works set up, the people were still ignorant of the true manner of planting, the time of cutting the

canes, and other particulars in the art of cultivating the plant. All these deficiencies, however, were soon got over ; the business of sugar-making was carried on every year to a greater and greater extent ; and many large fortunes were amassed by the planters in a wonderfully short time. The author of a pamphlet entitled " Trade Revived," published in 1659, speaks of Barbadoes as " having given to many men of low degree exceeding vast fortunes, equal to noblemen." He adds, that " upwards of a hundred sail of ships there yearly find employment, by carrying goods and passengers thither, and bringing thence other commodities ; whereby seamen are bred and custom increased, our commodities vended, and many thousands employed therein, and in refining sugar therefrom, which we formerly had from other countries." Till this extended cultivation of sugar in Barbadoes, all of that article consumed in England had been obtained from the Portuguese territory of Brazil. Nor were the English in Barbadoes long in imitating their Portuguese rivals on the southern continent of America in another branch of trade which has darkened the history of the rearing of the sugar-cane wherever it has spread over those regions,—the importation of negroes from the opposite coast of Africa. The rapid increase, again, of the population of this and our other West Indian settlements thus produced soon created a large demand for necessaries of all kinds from England. While the trade, however, between the mother country and her colonies was still only growing up to this state, an ordinance of the Lords and Commons, in 1646, although acknowledging in the preamble that the several plantations of Virginia, Bermuda, Barbadoes, and other places of America had been very beneficial to the kingdom by the increase of navigation and of the customs arising from the import of the commodities of their growth, and thereupon continuing for three years longer the exemption from all duties except the new duty of excise which home produce and manufactures carried out to these plantations had hitherto enjoyed, imposed, for the first time, the important restriction that " none in any of the ports of

the said plantations do suffer any ship or vessel to lade any goods of the growth of the plantations, and carry them to foreign parts, except in English bottoms, under forfeiture of the before-named exemption from customs." We shall presently find this principle carried out to its full extent in a subsequent much more memorable measure of the Rump parliament. Meanwhile, during the dissensions that raged at home, and after the triumph of the parliamentary cause, great numbers of the royalists had sought refuge in Virginia, Barbadoes, and the other West India settlements; so that the white population of these dependencies was in general fiercely opposed to the new government, and they might be said to be in a state of rebellion after all the rest of the empire had been reduced to submission and quiet. Barbadoes, indeed, had actually received Lord Willoughby as governor under a commission from Charles II., then in Holland, and had proclaimed Charles as king. It was in these circumstances that the English parliament, in 1651, with the view of punishing at once the people of the colonies and the Dutch, who had hitherto enjoyed the greater part of the carrying-trade between the West Indies and Europe, passed their famous Navigation Act, declaring that no merchandise either of Asia, Africa, or America, except only such as should be imported directly from the place of its growth or manufacture in Europe, should be imported into England, Ireland, or any of the plantations in any but English-built ships, belonging either to English or English-plantation subjects, navigated by English commanders, and having at least three-fourths of the sailors Englishmen. It was also further enacted that no goods of the growth, production, or manufacture of any country in Europe should be imported into Great Britain except in British ships, or in such ships as were the real property of the people of the country or place in which the goods were produced, or from which they could only be, or most usually were, exported. Upon this law, which was re-enacted after the Restoration, and which down to our own day has been generally regarded and upheld as the palladium of

our commerce, and the maritime Magna Charta of England, we shall only at present observe that one of its first consequences was undoubtedly the war with Holland which broke out the year after it was passed. It is admitted also, we may add, by a writer who ranks among its most zealous eulogists, that it "occasioned at first loud complaints that, though our people had not shipping enough to import from all parts whatever they wanted, they were nevertheless, by this law, debarred receiving due supplies of merchandise from other nations, who only could, and till then did, import them."* The Barbadians were at length, not without much difficulty, compelled to surrender their island to the parliamentary forces under Sir George Ayscue, in March, 1652; but, even after this, they continued, notwithstanding the prohibitory act, to keep up a considerable intercourse with the Dutch, which was connived at by the government. The wealth and importance of Barbadoes, however, were considerably reduced by Cromwell's conquest, in 1656, of Jamaica, to which many of the planters soon after removed, induced principally by the greater cheapness of land in that island.

The legal rate of interest on money had continued to be ten per cent., as fixed by the act of 1571, till, in 1624, it was reduced to eight per cent. by the statute 21 Jac. I. c. 17,—which, after authorizing this rate, drolly adds the proviso, "that no words in this law contained shall be construed or expounded to allow the practice of usury in point of religion or conscience!" The rate of interest continued to be eight per cent. till 1651, when it was further reduced by the parliament to six per cent., at which point it remained fixed for the rest of the present period. Some years before this time a regular trade in the lending of money had sprung up, of which Anderson gives the following account from a rare and curious pamphlet, entitled "The Mystery of the New-fashioned Goldsmiths or Bankers discovered," printed in 1676. For some time the usual place in which the London merchants kept their cash had been the Royal

* Anderson, ii. 416.

Mint in the Tower. But the despotic act of Charles I. in seizing, a few months before the meeting of the Long Parliament, a sum of 200,000*l.* which was lodged here, under the name of a loan, having destroyed the security of that place of deposit, it then became customary, we are told, though the statement seems a strange one, for merchants and traders to intrust their cash to the keeping of their clerks and apprentices, until the breaking out of the civil war, when the said clerks and apprentices fell into the habit of running away from their masters and going to the army: so that, at last, about the year 1645, commercial men first began to place their cash in the hands of goldsmiths; until which time, it is stated, the business of the goldsmiths of London consisted merely in buying and selling plate and foreign coins of gold and silver, in melting and culling these articles, in coining some at the Mint, and in supplying with the rest the refiners, plate-makers, and merchants, according to the variations of the price. "This new banking business," the account proceeds, "soon grew very considerable. It happened in those times of civil commotion, that the parliament, out of the plate, and from the old coin brought into the Mint, coined seven millions into half-crowns; and, there being no mills then in use at the Mint, this new money was of very unequal weight, sometimes two-pence and three-pence difference in an ounce; and most of it was, it seems, heavier than it ought to have been in proportion to the value in foreign parts. Of this the goldsmiths made, naturally, the advantages usual in such cases, by picking out or culling the heaviest, and melting them down, and exporting them. It happened, also, that our gold coins were too weighty, and of these also they took the like advantage. Moreover, such merchants' servants as still kept their masters' running cash, had fallen into a way of clandestinely lending the same to the goldsmiths, at four-pence per cent. per diem (about six per cent. per annum); who, by these and such like means, were enabled to lend out great quantities of cash to necessitous merchants and others, weekly or monthly, at high interest; and also began to discount the

merchants' bills at the like, or an higher rate of interest. Much about the same time they began to receive the rents of gentlemen's estates remitted to town, and to allow them and others who put cash into their hands some interest for it, if it remained but for a single month in their hands, or even a lesser time. This was a great allurements for people to put their money into their hands, which would bear interest till the day they wanted it. And they could also draw it out by one hundred pounds, or fifty pounds, &c., at a time, as they wanted it, with infinitely less trouble than if they had lent it out on either real or personal security. The consequence was, that it quickly brought a great quantity of cash into their hands; so that the chief or greatest of them were now enabled to supply Cromwell with money in advance on the revenues, as his occasions required, upon great advantages to themselves." Here we have all the principal operations of our modern banks, including even some portion of the accommodation given by the Bank of England to the government in our day, described as already in use in the middle of the seventeenth century. No banking establishment, properly so called, however, like those already existing at Amsterdam and in several of the Italian States, was begun in England during the present period, although various projects of the kind were submitted both to the public and the parliament.

In 1652 the postage of letters in England was farmed or let by the state to John Manley, Esq., for 10,000*l.* a-year; and four years after the whole establishment of the Post Office was subjected to a revision and placed upon a more stable foundation than heretofore. In 1652 the number of hackney coaches licensed to ply in the streets of London was raised to two hundred, and in 1654 to three hundred, the government and regulation of them being placed in the court of aldermen. The old dread of the over-increase of the capital, however, still continued to haunt the legislature of the commonwealth as much as it had formerly done the court. An edict published in 1656 declares that "the great and excessive number of houses, edifices, outhouses, and cottages erected

and new-built in and about the city of London is found to be very mischievous and inconvenient, and a great annoyance and nuisance to the commonwealth." Whereupon a fine of one year's rent is imposed on all houses erected on new foundations within ten miles of the walls of London since 1620, not having four acres of freehold land attached to them; and a fine of 100*l.* on all such as should be erected in future. But from the operation of the act were excepted the buildings belonging to the several city hospitals; the Earl of Clare's new market (now Clare Market), which is described as just then built; the streets about Lincoln's Inn Fields, then in course of being erected; Bangor Court in Shoe Lane, then about to be built upon the site of the Bishop of Bangor's house and garden; and some other recent erections below London Bridge and on the other side of the river. These were no doubt all the chief additions that had been made to the metropolis within the last few years.

Throughout the whole of the present period both the fineness and the weight of the silver coinage continued the same as they had been fixed in the year 1601; that is to say, the pound of Mint silver contained eighteen ounces of alloy, and was coined into sixty-two shillings.

Immediately after his accession, James I. directed two coinages of gold; one of pieces of ten shillings, five shillings, and two and sixpence in value,—that is, of angels, half angels, and quarter angels—from gold of 23 carats $3\frac{1}{2}$ grains fine; the other of pieces of twenty shillings and the same inferior current values, that is, of sovereigns, half sovereigns, crowns, and half crowns, from gold of only 22 carats fine. This throwing into circulation of two gold coinages of different standards must, one would think, have been attended with some inconveniences. At the same time he ordered a silver coinage of crowns, half crowns, shillings, sixpences, two-pences, pence, and half-pence. All the pieces of these first coinages are distinguished from those afterwards issued by bearing the words *ANG. SCO.* (for England and Scotland), instead of those denoting King of Great Britain, which was the title James assumed the following year, and which he directed, by

proclamation, to be thenceforth used upon all the coins. In the next coinage, the pound of gold, which had heretofore passed only for 33*l.* 10*s.*, was ordered to be raised in value to 37*l.* 4*s.* 6*d.*, the proclamation to that effect setting forth that the English gold coin had of late been exported in great quantities in consequence of its not bearing a due proportion to the silver, as in other nations. The gold coins were now directed to be, one of the value of twenty shillings, to be called the unity; one of ten shillings, to be called the double crown; one of five shillings, to be called the Britain crown; one of four shillings, to be called the thistle crown; and one of two shillings and sixpence, to be called the half-crown. The next year the value of the pound of gold was raised to 40*l.* 10*s.*; and at that rate a gold coinage was ordered of rose-rials at thirty shillings each; spur-rials at fifteen shillings; and angels at ten shillings. In 1611, in consequence of the increasing value of gold in relation to silver in the general European market of the precious metals, it was found necessary to raise, by proclamation, the value of the unity to twenty-two shillings, and that of all the other gold pieces then current in the same proportion. The next year the pound of gold coined into rose-rials, spur-rials, and angels was raised to the value of 44*l.* in tale; and that coined into unities, &c., to 40*l.* 18*s.* 4*d.* In 1619 a new gold coinage was issued, consisting of pieces of twenty shillings, ten shillings, and five shillings, which, in consequence of being impressed with the king's head surrounded by a laurel, came to be commonly known by the name of laurels. Both the twenty-shilling laurel and the unity were also popularly called broad-pieces. In this reign likewise appeared the first English copper coinage, consisting of farthings, which were issued in 1613, the private tokens of lead and brass, which shopkeepers and other dealers had long been in the habit of fabricating and using in their payments, being at the same time abolished. It was calculated that there were about three thousand retailers of victuals and small wares in and about London that thus used their own tokens;

and the practice was general in all the considerable towns throughout the kingdom.

In the second year of the reign of Charles I., a pound of gold of 23 carats $3\frac{1}{2}$ grains fine was directed to be accounted of the value of 4*l.* 10*s.* ; and a pound of 22 carats fine of the value of 4*l.* “In the former reign,” observes Leake, “the great quantity of silver brought into Europe upon the opening of the mines of Peru and Mexico had raised the price of gold, and caused it to be exported, so that for two years hardly any usual payments were made in gold ; but, the gold, by reason of this advanced price, being brought back, there followed as great a scarcity of silver.”* It had been the practice, too, of the goldsmiths for some years, he adds, to cull out the weightiest and best silver money, for which they would give a premium of two and sometimes three shillings on the hundred pounds, and to melt and export it. Above ten millions of pounds sterling in silver were coined from 1630 to 1643 ; “nevertheless, in 1632,” Rushworth tells us, “there was such plenty of gold in the kingdom, and such scarcity of silver, that the drovers and farmers, who brought their cattle, sheep, and swine to be sold in Smithfield, would ordinarily make their bargain to be paid in silver and not in gold. And, besides, in this time people did ordinarily give two-pence, and sometimes more, to get twenty shillings in silver for the exchange of a twenty-shilling piece of gold, full weight. And in and about London and Westminster, as well as in other parts, most people carried gold scales in their pockets to weigh gold on all occasions.”† The coins struck by Charles in the early part of his reign were of the same denominations as those issued by his father. Among his schemes for raising money at this time were various projects which were set on foot for coining silver extracted from the lead-mines in different parts of England. Of these, however, the only one that turned out in any considerable degree productive was that for coining the silver yielded by the Welsh mines, for which

* Historical Account of English Money, p. 300.

† Collections, ii. 150.

purpose a mint was established, in 1637, at the castle of Aberystwith, in Cardiganshire. These mines ultimately yielded about a hundred pounds of silver a-week; and the mint at Aberystwith proved of considerable service to the king during his war with the parliament. Of several other mines, the ore of which was tried by workmen brought out of Germany, those of Slaithborne in Lancashire are said to have yielded four per cent. of silver; those of Barnstaple in Devonshire and Court-Martin in Cornwall, ten per cent.; and those at Miggleswicke and Wardel, in the county of Durham, six or eight per cent. In this reign, also, was introduced, by Nicholas Briot, a native of France, the process of fabricating coins by machinery, instead of by the hammer, the only method hitherto employed. Briot, driven from France, where he had been graver general of the coin, by the intrigues of persons whose interests were opposed to his ingenious improvements, appears to have come over to England about the year 1628, and in 1633 was constituted chief engraver of coins for the mint in the Tower of London. He remained in this country till he was recalled to France by the Chancellor Seguier, about the year 1640. While he presided over the cutting of the dies for the English coinage, it was considered to be the most beautiful then known. Among other pieces of his striking is one in gold, of the weight of 8 pennyweights $18\frac{1}{2}$ grains, "with the king's head," says Leake, "admirably well done, bare-headed, and the lovelock, as it was called, hanging before, which, it seems, was so disagreeable to the Roundheads (so called from the contrary extreme) that Prynne wrote a book against it, called 'The Unloveliness of Lovelocks.'" This, being dated in 1630, must have been among the earliest of Briot's productions. After the war had begun and the parliament had seized the Tower, Charles set up mints at Shrewsbury, Oxford, York, and other places, most of the money coined at which has the mint mark of the Prince of Wales's feathers, as having been struck by the workmen and instruments belonging to the establishment at Aberystwith. The greater part of it appears also to have been made, in the

old-fashioned way, by the hammer, the use of the mill having been probably laid aside on Briot's departure. "The unhappy situation of the king's affairs," says Leake, "may be traced by his money, which grew worse and worse in the stamp, till at last they hardly deserve the name of a coin, seeming rather the work of a smith (as perhaps they were) than a graver, and manifest they were coined in the greatest hurry and confusion." Besides money of the common species, various other coins or tokens, which have received the name of obsidional or siege pieces, were issued on different occasions by the royalists in the course of the war. Among these were the pieces stamped at Newark in 1643 and 1646, which are in the form of a lozenge; those stamped at the siege of Carlisle in 1645, which are octangular; the Pontefract pieces, some of which are round, some octangular, some lozenge-shaped; and another sort of money, consisting merely of bits of silver-plate about an inch and a half long, with a rude representation of a castle, supposed to be that of Scarborough, stamped upon it.

In the beginning of their quarrel with the king the parliament coined both gold and silver money bearing the usual impressions, and only distinguished from that issued by the king by its having the letter P. (for Parliament) stamped upon it as a mint mark. They afterwards coined gold pieces of twenty shillings, ten shillings, and five shillings, and silver crowns, half-crowns, shillings, and sixpences, having on the obverse an antique shield with St. George's cross, encircled with a palm and a laurel branch, and circumscribed THE COMMONWEALTH OF ENGLAND; on the reverse, two antique shields conjoined, the first with St. George's cross as before, the other with a harp, and circumscribed GOD WITH US. Their silver two-pences, pennies, and half-pennies, have only the arms without any legend or inscription. Such coins, with a sun for the mint-mark, are found of the dates 1649, 1650, 1651, 1652, and 1653; and it is supposed that they were occasionally struck even down to the Restoration: Leake says he had seen both a twenty and a ten shilling piece of 1660. This was all ham-

mered money ; but there are likewise half-crowns, shillings, and sixpences of 1651, bearing the same stamp, and grained upon the outer edge ; which is the earliest English completely milled silver coinage, the milled money of Elizabeth and Charles I. being only marked upon the flat edge. One milled half-crown of the same date has inscribed upon the rim the words, **IN THE THIRD YEAR OF FREEDOM BY GOD'S BLESSING RESTORED ;** another has **TRUTH AND PEACE. 1651. PETRUS BLONDAEUS INVENTOR FECIT.** These appear to be rival productions ; the former by the regular moneyers of the Tower ; the latter by a French artist, Peter Blondeau, who came over and offered his services to the committee of the council of state for the Mint in 1649, but never was employed farther than to give this specimen of his skill, although he appears to have remained in the country about three years, and was probably not well used by the government. Some copper farthings, of various impressions, were likewise coined by the parliament.

The earliest money bearing the effigies of Oliver Cromwell has the date of 1656, though it was not till the following year that he formally took upon him the royal authority in conformity with the "Petition and Advice." His coins are twenty shillings and fifty shillings pieces of gold ; and crowns, half-crowns, shillings, and sixpences of silver. "They are," says Leake, "an excellent die, done by the masterly hand of Symonds (or Simon), exceeding anything of that kind that had been done since the Romans ; and in like manner he appears thereon, his bust Cæsar-like, laureate, looking to the right, with whiskers, and a small tuft upon the under lip." The circumscription around the head of the Protector is **OLIVAR. D. G. R. P. ANG. SCO. HIB. &c. PRO.** On the reverse, under a royal crown, is a shield, bearing in the first and fourth quarters St. George's cross, in the second St. Andrew's cross, and in the third a harp ; with the Protector's paternal arms, namely, a lion rampant, on an escutcheon in the centre ; and the circumscription **PAX QUÆRITUR BELLO,** with the date 1656, or 1658.

There is also a copper farthing of Cromwell's, with a somewhat different device on the reverse.

To this period likewise belong a few of the Pontefract coins, or tokens, which were issued after the king's death, in the name of Charles II.

For Scotland, James I. coined sovereigns of gold, crowns, half-crowns, shillings, and sixpences of silver, and also farthings of copper. All these Scottish coins, however, bore names indicating a value twelve times greater than that of the corresponding English coin: thus the Scottish half-crown was called a thirty-shilling piece, the farthing a threepenny piece, &c. He also coined both silver and copper money for Ireland, of the intrinsic value of about three-quarters of the English; and called in the mixed or base money which had been issued in the time of the rebellion by Elizabeth. Among the Scotch coins of Charles I. is a sovereign or unity of gold, which is very neatly finished, and is supposed to be the production of Nicholas Briot, the mint-mark being a small B. Charles's other Scottish money consists of double crowns, crowns, and half-crowns of gold; half-crowns, shillings, sixpences, nobles or half-marks, forty-penny pieces or quarter marks, two-shilling pieces, and twenty-penny pieces of silver; and farthings, and bothwells, or bodles, of the value of the sixth part of a penny English, of copper. His only Irish coins are some of silver, issued after 1641, by appointment of the lord lieutenant, the Duke of Ormond, and hence known as Ormond money. There are also some Irish halfpence and farthings of copper, of this time, bearing the figure of a king kneeling and playing on a harp, which are supposed to have been struck by the papists during their insurrection in 1642. The coins of Scotland and Ireland in the time of the Commonwealth were the same with those of England.

CHAPTER VIII.

FROM THE RESTORATION TO THE REVOLUTION.

—A.D. 1660—1688.

IN the interval between the Restoration and the Revolution the increase of our trade appears to have been both more considerable upon the whole, and more steady in its progress, than in any former period of the same length; and the same thing may probably be affirmed of the national industry in all its great branches. The hurricane of the civil war, disastrous as it may have been in its immediate operation, had yet put a new life into the air, the inspiration of which, on the return of a settled condition of things, was felt by our commerce and manufactures, as well as by all other parts of our social system; the very gap that remained to be filled up, in consequence of the partial suspension of mercantile and other industrial activity during the war, quickened that activity when the war was over; the government of the protectorate exerted itself to promote the trading interests of the country; and the impulse thus given continued to carry forward the spirit of enterprise after the Restoration, in a state of greater public security, and in circumstances otherwise much more favourable, than had existed previous to that event.

The best evidence of the regular growth and general prosperity of English commerce throughout the present period is afforded by the returns of the Custom-house duties, an account of which we have for its whole extent.* From this account it appears that the produce of

* First published in Chalmers's *Estimate of the Comparative Strength of Great Britain*, p. 49 (edit. of 1804). Mr. Chalmers observes, that "there was an additional duty on wines imposed in 1672, and an impost on wine, tobacco, and linen, in 1685; but, as these duties were kept separate, they appear neither to have swelled nor diminished the usual receipt of the Custom-house duties in any of the years, either of peace or of war." We understand the sums given in the account, therefore, to be the produce of the rates which used to be called the *Old Subsidy*.

this branch of the public revenue from the 24th of July, 1660, to the 29th of September, 1661, was only 421,582*l.*, or, for the twelve months, only about 361,356*l.*; that the annual average of the next four years, ending with Michaelmas Day, 1665, was about 509,774*l.*; of the next five, ending with 1670, about 475,018*l.* (here we may perceive the effect of the great plague and the fire of London, the returns being, for 1666 only 303,766*l.*, for 1667 only 408,324*l.*, but rising in 1668 to 626,998*l.*); of the next five years ending with 1675, 581,429*l.*; of the next five, ending with 1680, 640,231*l.*; of the next five, ending with 1685, 722,933*l.*; and of the three remaining years, ending with Michaelmas, 1688, and all comprehended within the reign of James, about 815,874*l.*, or fully double the receipts for the first year or two after the Restoration. The amount for the year ending 29th September, 1662, was 414,946*l.*; that for the year ending Michaelmas, 1687, was 884,955*l.* For the next year, the last of the present period, it was 781,987*l.*

The few notices that have been preserved of our general exports and imports during this period go to confirm the evidence of the progressive extension of the commerce of the country afforded by the foregoing account. We have seen that the entire value of the exports and imports in 1613 was 4,628,586*l.*, and in 1622, 4,939,751*l.* It is stated that in the year ending Michaelmas, 1663, the imports amounted to 4,016,019*l.*, the exports to 2,022,812*l.*; and that in the year ending Michaelmas 1669, the imports were 4,196,139*l.*, the exports 2,063,274*l.* The value of the exports and imports together, therefore, for the first of these years was 6,038,831*l.*, and for the second 6,259,413*l.* The figures indicate a steady progress of mercantile activity and of national wealth, whether we take the sums of the exports and imports at the four successive dates, as has just been done, or confine our view to the imports alone, as best marking the national power of expenditure or purchase. They were 2,141,283*l.* in 1614; 2,619,315*l.* in 1622; 4,016,019*l.* in 1663; and 4,196,139*l.* in 1669.*

* The authority for the statement of exports and imports

The terms in which the great Dutch minister De Witt speaks of the hostility or rivalry to be apprehended

in 1663 and 1669 is the First Part of a Report made to the Commissioners of Public Accounts in 1711, by Dr. Charles Davenant, who then held the office of inspector-general of customs. (See Lord Whitworth's edition of Davenant's works, Lon. 1771, vol. v. p. 376, where, however, there is a misprint, third line from the bottom, of "exports" for "imports," and of "imports" for "exports.") Davenant says that he takes the statement from "a manuscript remaining in the Custom House, which appears to be an authentic copy of what had been offered to the House of Commons," but in what year he cannot find. (p. 351.) From the manner in which he expresses himself, however, he has left it somewhat doubtful whether the sums he has put down are the value of the total exports and imports of the kingdom, or only of those of the port of London, which he seems to intimate bore the proportion of between three and four to one to those of the rest of the country. (p. 352.) The statement has been generally assumed to be that of the total exports and imports. It is repeatedly quoted or referred to in the work entitled "*The British Merchant*," a series of papers first published in 1713, with the object, in which it succeeded, of defeating the proposed treaty of commerce with France which was to have followed the peace of Utrecht, and afterwards collected in three vols. 8vo., in 1743. The principal author of "*The British Merchant*" was Henry Martin, Esq., who succeeded Davenant as inspector-general of the customs; but Anderson (*Chron. Deduct. of Com.* ii. 496), and after him Macpherson (*Annals of Com.* ii. 534), are mistaken in supposing the account for the year 1668-9 to rest upon his authority; for it is given by Davenant, along with that for 1662-3. The authors of "*The British Merchant*," who are sturdy upholders of what has been called the Mercantile Theory, maintain that the balance against us indicated by these two statements, or the "great national loss," as they term it, was occasioned by our having then a full trade with France; "which full trade," say they, "being afterwards prohibited, the general balance in the year 1699 was got to be so far in our favour as 1,147,660*l.* 10*s.* 9*d.* [that is to say, such was now the excess of exports over imports]: total gained by us from having no trade with France in the

from England, in his work entitled "The Interest of Holland," published in 1669, show the estimation of the commercial greatness of this country which was now prevalent on the continent; and the passage is also worth quoting from the sketch it gives of the rise and progress of our manufactures and trade. "When the compulsive laws of the Netherland Halls," he observes, "had first driven the cloth-weaving from the cities into our villages, and thence into England, and that, by the cruelty of the Duke d'Alva, the say-weaving went also after it, the English by degrees began to vend their manufactures throughout Europe: they became potent at sea, and no longer to depend on the Netherlands. Also, by that discovery of the inexpressibly rich cod-bank of Newfoundland, those of Bristol in particular made use of that advantage. Moreover, the long persecution of Puritans in England has occasioned the planting of many English colonies in America, by which they drive a very considerable foreign trade thither. So that this mighty island, united with Ireland under one king, seated in the midst of Europe, having a clear deep coast, with good

year 1699, 3,280,525*l.* 8*s.* 9*d.*: which balance in the year 1703 was so considerably increased as to be no less than 2,117,523*l.* 3*s.* 10½*d.*; total gained by us from having no trade with France in the year 1703, 4,250,388*l.* 1*s.* 10½*d.* A most interesting consideration." All this declamation, in which the figures of arithmetic are made to play as wild a part as ever did those of rhetoric, is gravely repeated and adopted by Anderson (ii. 496). The statement for the year 1662-3 he had previously characterized, in the same spirit, as "a most melancholy account, truly," "more especially," he adds, "as coming from this able author, who possessed that important office [of inspector of the customs] in the reigns of King William and Queen Anne." (p. 478.) But, if he had gone to Davenant's own Report, he would have found wherewithal to console himself. "Here you may please to observe," remarks that writer, after having transcribed the two accounts, "what an appearance there is of an excess against us all the world over those two years, in which no man in his right senses will deny but that we carried on a thriving traffic." (p. 377.)

havens and bays, in so narrow a sea that all foreign ships that sail either to the eastward or westward are necessitated, even in fair weather, to shun the dangerous French coast, and sail along that of England, and in stormy weather to run in and preserve their lives, ships, and merchandize in its bays—so that England now, by its conjunction with Scotland, being much increased in strength, as well by manufactures as by a great navigation, will in all respects be formidable to all Europe. For, according to the proverb, a master at sea is a master at land; and more especially a king of England, seeing he is able, both by whole fleets and private ships of war, at all times to seize on ships sailing by the coast—the westerly winds, which blow for most part of the year on this side of the tropic, giving the English great opportunities to sail out of their numerous bays and harbours at pleasure to infest our navigation.”

Many particulars with regard to the state of the different branches of our foreign commerce about this time are to be collected from Sir Josiah Child's *New Discourses on Trade*, written in 1665 (at his country-house, “in the sickness-year,” as he informs us), and first published in 1668. A second and greatly enlarged edition appeared in 1690. Child was an eminent London merchant, and his views on many subjects were in advance of his age: but there is certainly no soundness in the leading doctrine of the present work, which is, that the principal cause of national wealth is a low rate of interest established by law, the fact being, that the national rate of interest, being merely another name for the price of credit, is always dependent upon the state of the market of credit, that is to say, upon the supply of disposable capital and the demand for it by borrowers; and that all that the establishment of a legal rate of interest can do is in some degree to impede and disturb the course of the influences which regulate the natural rate, and which, if they were left to themselves, would determine the actual rate. In other words, a low rate of interest, instead of being, as Child imagined, a cause of national wealth, by which he meant the accumulation

of capital, might more truly be said to be a consequence of such accumulation; for if the rate of profit, and consequently the demands of borrowers, should continue the same, the rate of interest would be brought down by the mere growth of disposable capital. But, notwithstanding this fundamental mistake of the book on a theoretical point, it may, from the position and opportunities of the author, be safely taken as a trustworthy authority in regard to most of the statements as to matters of fact contained in it. The branches of English commerce which Child speaks of as having been most extended in his time are the trade with Spain and Portugal and with the East Indies. In his preface he asserts that, since the year 1640, our exports of native commodities to the Peninsula had been more than trebled. He was himself a director of the East India Company, and he strenuously insists upon the great national profits and advantages of the trade with that region in opposition to the outcry raised against it, principally on the ground of its carrying a large balance of specie out of the country,—the simple test by which the common prejudice of the time at once decided whether any trade was profitable or the reverse. Child, without having very clear notions on the subject, is much inclined to qualify the vulgar doctrine on the balance of trade generally; but in this particular case his chief argument is, that, although the imports of the company were in great part paid for in money, the same money, or rather a larger sum, would otherwise have had to be paid to the Dutch for the same commodities. We should have had to buy from them the saltpetre necessary for the making of gunpowder, as well as our pepper and calicoes, for which they would have made us pay as dear as they did for nutmegs, cinnamon, cloves, and mace, of which they then had the monopoly; or, if we did not use calicoes, we should have been obliged to resort to foreign linens. The Company, he states, then employed from thirty-five to forty sail of the most warlike mercantile ships of the kingdom, with from sixty to a hundred men in each; and, besides supplying the country with saltpetre, pepper, indigo, calicoes, and

several useful drugs, to the value of between 150,000*l.* and 180,000*l.* yearly, for home consumption, procured us calicoes, printed stuffs, and other merchandise for our trades to Turkey, France, Spain, Italy, and Guinea; most of which trades, according to this author, could not then be carried on with any considerable advantage but for those supplies; "and those goods exported," he adds, "do produce in foreign parts, to be returned to England, six times the treasure in specie which the Company exports from England to India." In other branches of trade he represents the Dutch as going far a-head of us. A great trade was carried on by them to China and Japan, in which the English had no share. In the Russia trade, he says, the Dutch, the year before he wrote, had twenty-two great ships employed, and the English but one. In the Greenland whale-fishery the Dutch and Hamburgers had annually four or five hundred sail employed, while the English had only one ship the preceding year, and the year before that not one. The white herring fishery upon our own coasts was almost wholly in the hands of the Dutch; and so was the export of salt from Portugal and France. To the Baltic, or Eastland countries, the English had not now half so much trade as formerly; while the Dutch had ten times more than they used to have. The Norway trade, again, was in great part in the hands of the Danes, Holsteiners, &c.; our exportations to France had greatly fallen off; and the English ships employed in the Newfoundland fishery had decreased from two hundred and fifty, which was their number in 1605, to eighty when Child wrote. In many of these instances, however, the country had probably only disengaged itself from an old trade, that it might enter into and carry on some other, which it found more to its advantage. Child admits that the general commerce of the country was never before either so extensive or so profitable. The Turkey, Italian, Spanish, and Portuguese trades, by means partly of our Indian commodities, partly of our native wool, were more active and prosperous than at any former period. The trade with our American plantations was a new branch of

commerce, of great and rapidly growing importance, which was wholly in our own hands. Accordingly, in proof of the general fact of the vast increase of the wealth of the country within the preceding twenty years, Child adduces the following particulars:—"First," he says, "we give generally now one-third more money with apprentices than we did twenty years before. Secondly, notwithstanding the decay of some, and the loss of other trades, yet, in the gross, we ship off now one-third more of our manufactures, and of our tin and lead, than we did twenty years ago. Thirdly, new-built houses in London yield twice the rent which they did before the conflagration in the year 1666; and houses immediately before that fire generally yielded one-fourth more rent than they did twenty years ago. Fourthly, the speedy and costly rebuilding, after that great fire, in London, is a convincing, and to a stranger an amazing, argument of the plenty and late increase of money in England. Fifthly, we have now more than double the number of merchants and shipping that we had twenty years ago. Sixthly, the course of our trade, from the increase of our money, is strangely altered within these twenty years; most payments from merchants and shop-keepers being now made with ready money, whereas formerly the course of our general trade ran at three, six, nine, and eighteen months' time." He admits that people complained, notwithstanding, very greatly of the scarcity of money; but "this humour of complaining," he replies with much truth, "proceeds from the frailty of our natures; it being natural for men to complain of the present, and to commend the times past." "And I can say, with truth," he adds, "upon my own memory, that men did complain as much of the scarcity of money ever since I knew the world as they do now:—nay, the very same persons who now complain of this and commend that time." Plenty or scarcity of money, indeed, has no necessary connexion with a prosperous condition of commerce, or the reverse, any more than plenty or scarcity of leather or of hats. In so far as the fact is general, it is merely a consequence of the existing condition of the

market of money, which is affected by the same causes that produce fluctuations in all other markets, and also by some peculiar to itself, arising out of the financial institutions and arrangements of different countries. With regard, again, to the scarcity of money felt by individuals, that is a complaint likely, for obvious reasons, to be just as rife in a time of active and profitable commercial speculation, when every man able to procure the command of capital can turn it to good account, as in a stagnant or decaying state of trade, when capital can be employed with comparatively little advantage.

Some further information in proof of the continued increase of the trade and wealth of the kingdom is supplied to us at a date a few years later by another eminent authority, Sir William Petty, in his "Political Arithmetic," first published in 1676. This writer's statements and conclusions with regard to the progress of the national prosperity for the preceding forty years strikingly coincide with and confirm those of Sir Josiah Child. He observes that in these forty years the taxes and other public pecuniary levies in the three kingdoms had been much greater than they ever were before, and yet they had undeniably all three gradually increased in wealth and strength within that space. The number of houses in London was double what it was forty years before; and there had also been a great increase of houses at Newcastle, Yarmouth, Norwich, Exeter, Portsmouth, and Cowes; as also in Ireland, in the towns of Dublin, Kinsale, Coleraine, and Londonderry. Then, with respect to shipping, the royal navy was now double or quadruple what it had been forty years ago; and the coal-shipping of Newcastle now amounted to about 80,000 tons, or probably four times what it then was, seeing that London did not then contain more than half the inhabitants it now did; while the use of coals was also doubled,—“they being heretofore,” says Sir William, “seldom used in chambers, as they now are, nor were there so many bricks burnt with them as of late, nor did the country on both sides the Thames make use of them as now.” “Above 40,000 ton of shipping,” he con-

tinues, "are now employed in the Guinea and American trade, which trade in those days was inconsiderable. The quantity of wines imported was not then near so great as now. And, in short, the customs did not then yield one-third of the present value. The number and splendour of coaches, equipages, and household furniture have much increased since that period. *The postage of letters is increased from one to twenty.* And his majesty's revenue is now trebled." The exact amount specified in some of these necessarily in part conjectural estimates may not be entitled to absolute confidence; but there can be no question that the general bearing of the facts is correctly given.

But the most comprehensive view of the progress of the commerce and wealth of England during the present period is that given by Dr. Davenant in one of his Discourses on Trade.* Davenant, we may premise, has not the clearest notions on some of the fundamental points of political economy; but he has sense to perceive the absurdity of the principles advanced by some writers of his time, whose assertions, indeed, might well have startled the dullest understanding. Mr. Pollexfen, to a publication by whom Davenant particularly addresses himself, had actually maintained gold and silver to be "the only things that deserve the name of treasure, or the riches of a nation;" and to this Davenant answers, very well, "that, in truth, money is at bottom no more than the counters with which men, in their dealings, have been accustomed to reckon;" adding, "When a country begins to thrive by trade, it must not be imagined that the increase and profit is presently converted into coin or bullion; and a great ready cash is not the only sign of a thriving people, but their growing wealthy is to be discerned by other symptoms." Just before, however,

* Discourse First, "That Foreign Trade is beneficial to England," in the Second Part of "Discourses on the Public Revenues and on Trade," first published in 1698, in answer to Mr. Pollexfen's "England and East India inconsistent in their Manufactures;" in Lord Whitworth's edition of Davenant, vol. i. pp. 346-393.

his partial entanglement in the prejudices of his age has led him to admit that the precious metals, though not the spring and original, are yet the measure, of trade in all nations; which, except in a very qualified sense indeed, and in reference to mere convenience of calculation, they really no more are than any other species of merchandise. Pollexfen also contended that there had been a regular annual decrease of the wealth and trade of the country ever since the year 1666; a position taken up about this time by various popular writers, among others by the author of a famous discourse entitled "*Britannia Languens*," published in 1680, who, by not only confining his view to one side of the question, but by looking at that through the medium of a false theory, contrived to make out to his own satisfaction, and doubtless also to that of many of his readers, that the country had been advancing towards ruin at a round pace for many years. The main argument of this writer is, simply, that there had been less money coined from 1657 to 1675 than in any former period of the same length from the beginning of the century,—a fact which, if it could have been ever so conclusively established, had no more to do with the subject of debate than a similar calculation of the comparative quantities of rain that had fallen in the several periods fixed upon would have had. This test, as applied by the author of *Britannia Languens*, would have proved a rapid decline of national prosperity indeed; for, whereas, according to his showing, the value of gold and silver coined from 1600 to 1619 had been nearly 4,800,000*l.*; and from 1619 to 1638, 6,900,000*l.*; and from 1638 to 1657 above 7,700,000*l.*; the amount from 1657 to 1675 had only been about 2,239,000*l.*; and even of that he observes, about a million had been partly harp and cross money, partly old money recoined. So that, by this measure, the trade of these last eighteen years must have fallen to a fourth or a fifth of what it had been before! This was a "*languishing*" state of things truly. Davenant first shows, by the increase in the value of landed property, from twelve years' purchase in ancient times, to fourteen, six-

teen, and in the best counties eighteen and twenty years' purchase about 1666, and by the great increase in the produce of the taxes in the reigns of James I. and Charles I. and in the time of the Commonwealth, that the country must have been growing rich from the beginning of the century up to that year. So much, perhaps, would not be disputed by his opponents. But he contends, on the same or similar grounds, that the same progress continued to go on, and in an augmented ratio, after 1666. Since that year, he affirms, the price of land in the best counties had risen from twenty to twenty-six and twenty-seven years' purchase; and elsewhere from fourteen years' purchase to seventeen or eighteen. "From that year," he adds, "there were apparently more improvements made in land than had been known in fifty years before, by enclosing, manuring, taking in of waste ground, and meliorating what was poor or barren; and yet great improvements had been made in the crown-lands during the civil war." He calculates, from the best observations he has been able to make, "by comparing the ancient subsidies with the present aids and taxes on land," that the general rental of England for land, houses, mines, &c. before the country became considerable by trade,—that is to say, about the year 1600,—did not exceed six millions per annum; whereas, in 1688, he takes the rental of the kingdom to have been about fourteen millions. So that, in 1600, the whole land of England at twelve years' purchase was only worth 72,000,000*l.*; and in 1688, at eighteen years' purchase, was worth 252,000,000*l.*, or three and a-half times as much as before. As for the mercantile shipping of the kingdom, old and experienced merchants all agreed that its tonnage in 1688 was nearly double what it had been in 1666; and it appeared by authentic accounts that the royal navy, which in May, 1666, amounted only to 62,594 tons, was grown to 101,032 tons in December, 1688. We pass over a long calculation and argument about the amount of gold and silver coined at different periods, as tending very little to elucidate the matter in hand. The statement then proceeds:—"As to plate, it may be safely

affirmed that there was more wrought for use in families from 1666 to 1688 than had been fabricated in two hundred years before. As to the common people, there is no country in the world where the inferior rank of men are better clothed and fed, and more at their ease, than in this kingdom, nor, consequently, where they propagate faster. As to buildings, during that time not only many stately edifices, both public and private, have been erected, but farm-houses have been kept up; and, besides, from the books of hearth-money, and for other reasons, it appears that of smaller tenements, from 1666 to 1688, there have been about 70,000 new foundations laid, of which the country has not wanted its proper proportion." In 1666 the customs, according to Davenant, were farmed for no more than 390,000*l.*; but from Michaelmas, 1671, to Michaelmas, 1688, they had yielded to the crown an average annual return of 555,750*l.* This statement, it will be observed, does not agree with the account given in a preceding page on the authority of Chalmers; but the fact of the increase in the produce of the customs is equally attested by both. "Upon a general view and inspection into the kingdom's state," Davenant calculates that the value of the whole stock of England, by which he explains himself as meaning "the coined silver, coined gold, bullion, wrought plate, rings, &c.; jewels, furniture, apparel, &c.; stock for trade, consumption, &c.; and the live stock in cattle, &c.,"—that is, apparently, everything in the kingdom beside what the lawyers call real property,—was in 1600 about 17,000,000*l.*; that in thirty years it nearly doubled, and in 1630 was about 28,000,000*l.*; that in the next thirty years it fully doubled, and in 1660 was about 56,000,000*l.*; and that from 1660 to 1688 it above half doubled, and was in the last-mentioned year about 88,000,000*l.* Of this calculation he maintains that "every article may be made out and justified by as plain demonstration as anything of this nature is capable of." The stock of the kingdom, he thinks, would have fully doubled itself in the last period as well as in those of the same length that preceded, had it not been that "a stop was put to our career by the great plague of 1665; by the fire

of London, which consumed a great part of the present stock ; by our wars abroad ; and by our growing luxuries, which drew to other uses what formerly was left wholly to run in the channel of trade." " However," he adds, " when the kingdom had recovered these losses and shocks, which we have reason to think it had perfectly done about 1680 (trade augmenting all the while, and becoming more extensive), its wealth grew faster towards the latter end of this last era of thirty years than before : so that there is more than probable room to conjecture that about 1688 it came to reach the annual increase of two millions." There is much, of course, that is merely theoretical, and far enough from conclusive, in these speculations ; but they are curious at least, if not perfectly convincing, and may be admitted to have a general, though not an exact and absolute, truth.

Of the measures affecting commerce that were passed by the legislature in the present period, the most important was the statute of the 12 Car. II. c. 18, entitled an Act for the Encouraging and Encreasing of Shipping and Navigation, and popularly known by the name of the Navigation Act. This famous statute was in the main merely a re-enactment of the statute passed by the Rump Parliament in October, 1651 ; the principle of which was, as explained in the last Chapter, to confine absolutely to English ships the carriage of all goods imported into any part of the dominions of England from Asia, Africa, or America ; and to English ships, or ships of the particular country from which the goods were imported, the carriage of all goods brought into England from any other country of Europe. In the new Act, the latter and most important provision was so far modified as to be confined to goods imported from Russia and Turkey, and to certain goods only from other European countries. But this was in reality a very slight mitigation of the restriction ; for the articles in question comprised all the most important English imports, such as timber, salt, pitch, tar, hemp, raisins, figs, oils, grain, wine, spirits, &c. ; so that it was scarcely possible that a full cargo of goods could be made up for England in any country of Europe without some

of the articles which could thus only be imported in English or native bottoms.* On the other hand, the restrictions of the act of 1651, as to importation into England, were now made equally applicable to the exportation of goods from England to other European countries.† A Navigation Act similar to the English one was passed by the parliament of Scotland the following year; and the English statute was altered, and in some respects made still more rigid or more comprehensive, by subsequent acts, of which it is not necessary to give any particular account. We may merely mention that, by a clause in an act for regulating the customs, passed in 1662 (13 and 14 Car. II. c. 11, s. 23), it was enacted that no sort of wines other than Rhenish, no sort of spicery, grocery, tobacco, potashes, pitch, tar, salt, resin, deal-boards, fir, timber, or olive oil, should be imported from the Netherlands or Germany, “upon any pretence whatsoever, in any sort of ships or vessels whatsoever, upon penalty of the loss of all the said goods, as also of the ships and furniture.”

* Some modern accounts of the Navigation Act state that the goods thus forbidden to be brought from any part of Europe except in English ships, or ships of the country, were those that came to be known in commerce by the name of *enumerated* articles. But this is a mistake: what were formerly called *enumerated* goods, an expression used in many subsequent acts of parliament, were certain articles, the produce of the English plantations, with regard to which it was provided by the act (sec. 18) that they should not be conveyed to any part of the world whatsoever without first being shipped to England, and brought on shore there.

† This important extension of the first Navigation Act has not usually been noticed. But it is common to speak of a provision in the act of the 12 Car. II., making it necessary that, in addition to the ship being English property, the master and at least three-fourths of the sailors should be Englishmen, as a new regulation and a very material improvement upon the old law (see Blackstone, Com. i. 419); the fact being, that the act of 1651 demands very nearly the same thing,—it requires that the *majority* of the crew shall be English.—See the act in Scobell, II. 176.

The navigation laws are admitted to have been framed in a spirit of violent animosity against the Dutch, and to have had for one of their principal objects the depression of the mercantile superiority of that people, then in possession of the greater part of the carrying trade of the world. The Dutch were, in fact, deprived by these acts of so much of their carrying trade as consisted in importing goods to England and in exporting to other countries English home and colonial produce and manufactures; and the greater part of what they thus lost the English ship-owner gained. The English consumer,—in other words, the English public,—was, in a pecuniary sense at least, a gainer of nothing, but a considerable loser: the monopoly of the ship-owner was, of course, a tax upon the rest of the community. This tax, however, it has been said, was paid for the essential object of the national defence,—for the creation and maintenance of a naval strength which the country would not otherwise have possessed. The exact operation of indirect methods of procedure, such as the policy of the navigation laws is here assumed to be, will always afford matter for difference of opinion, and hardly admits of being satisfactorily determined; but it is certain that, however much commendation these laws have received in later times, the greatest doubts were entertained as to any public benefit being attributable to them by some of the ablest observers who had an opportunity of witnessing the effects they produced when they first came to change the natural course in which the commerce of the country was previously proceeding. Roger Coke, in his “Treatise on Trade,” published in 1671, maintains that, by lessening the resort of strangers to our ports, they had had a most injurious effect on our commerce: he states that, within two years after the passing of the first partial Navigation Act in 1650 (the progenitor of that of the following year), we had lost through their operation the greater part of our Baltic and Greenland trades. Sir Josiah Child, although decidedly approving of the principle of the Navigation Act, corroborates Coke in so far by admitting, in his “Treatise on Trade,” published in 1698, that the English shipping

employed in the Eastland and Baltic trades had decreased two-thirds since the passing of the act, and that the foreign shipping employed in these trades had increased in a like proportion.* It is plain, indeed, that this law, by raising their freights in the home trade, of which it gave them a monopoly, must have disabled English ship-owners from competing with foreigners in every other trade of which they had not a like exclusive command.

The most remarkable outbreak in the course of this period of the old commercial jealousy which, in contradiction to the first principle of commerce, used, in its fits of fury, to be continually striving to exclude from the kingdom the productions of foreign countries, in the notion of thereby putting down their commercial rivalry, was the entire prohibition of trade with France in 1678. On this occasion, indeed, national hatred and religious excitement lent their aid to strengthen and envenom the feelings arising from rivalry in trade, for it was the time of the popular ferment about the designs of France, out of which sprung immediately afterwards the wild delusion of the popish plot; but the chief motive of the prohibition, nevertheless, was undoubtedly the prevalent notion that the country was suffering an annual pecuniary loss to a vast amount by the balance of trade, as it was called, being turned against us in consequence of our large importation of French commodities. The act of parliament (the 29 and 30 Car. II. c. 1, s. 20) declares that it had been by long experience found that the importing of French wines, brandy, linen, silk, salt, paper, and other commodities of the growth, product, or manufacture of the territories and dominions of the French king had much exhausted the treasure of this nation, lessened the value of the native commodities and manufactures thereof, and caused great detriment to the kingdom in general. It therefore proceeded to enact that, for three years from the 20th of March, 1677 (1678), and to the end of the next session of parliament, no French wine, vinegar,

* See these and other authorities collected by Mr. M'Culloch, *Dict. of Com.* p. 819.

brandy, linen, cloth, silks, salt, grapes, or other product or manufacture of the dominions of the king of France should be imported in any sort of vessel whatsoever into any part of England, and that the importation or vending of any such French goods should be adjudged "to be a common nuisance to this kingdom in general, and to all his majesty's subjects thereof." The adherents of the balance-of-trade theory at the time, and long afterwards, all looked upon this prohibition as a most wise and salutary act of national policy, and were in the habit of referring with much triumph to its effects in proof of the correctness of their views. Indeed they had long been clamouring for something of the kind before the measure was adopted by the legislature. The House of Commons which met in the latter part of the year 1675 had, upon an examination of the trade between England and France, come to a resolution that the former country was annually a loser in the said trade to the amount of a million sterling, and had thereupon ordered a bill to be brought in to put a stop to it, as was actually done two years after. The following are the terms in which Anderson, writing nearly a century after 1678, speaks of the act then passed against commerce with France: "The immense importation into England of French wares of various kinds gave just umbrage to all wise people, as occasioning a vast annual loss in point of the general balance of England's trade; some say, to at least one million sterling, others to considerably more; because, whilst we were wantonly and without measure importing and using the produce and manufactures of France, the wiser French ministry were from time to time laying heavier duties upon the English manufactures and produce. . . . Hereby the English foreign trade in general languished, rents fell, and all ranks began sensibly to feel its bad effects. Yet they at first imputed this misfortune to a wrong cause, which made the merchants and traders petition the parliament against the East India and Levant Companies. In conclusion, they discovered the true cause; whereupon they made such earnest application to the parliament as influenced the House of Commons to come to a vote, that the trade

with France was detrimental to the kingdom.... It was, indeed, more than time for England to interpose and save the almost expiring liberties of Europe, whilst at the same time she put some stop to an inundation of French wines, brandies, silks, linen, paper, salt, and an innumerable variety of frippery, millinery, and haberdashery wares, toys, &c.; which prohibition, and that of the wear of East India manufactures, brought the general balance greatly in our favour in the course of twenty years. The authors of this time say that, until after this prohibition, the annual exports of England, on an average, did not exceed three millions sterling; but that, in about twenty years after, the exports had gradually increased to near seven millions yearly, which vast increase was principally occasioned by the great increase and exportation of our own woollen, silk, linen, iron, and other manufactures, since the prohibition of commerce with France; and partly also to the prohibition, some years after enacted, of the wear in England of East India manufactures; and likewise in part to the enlarged demand from our own American colonies of all sorts of manufactures and necessaries."* As Charles II. never again assembled a parliament after the 20th of March, 1681, the act prohibiting the importation of French merchandize remained in force till it was repealed in the beginning of the next reign by the act 1 Jac. II. c. 5. "Whereupon," says Anderson, "ensued an inundation of French commodities, to the value of about four millions sterling, within the compass of less than three years' time, whereby all the evils formerly complained of were renewed, so that the nation would have been soon beggared, had it not been for the happy Revolution in the year 1688, when all commerce with France was effectually barred."† The proof of a nation being on the road to beggary, which is derived from its purchasing every year between one and two millions' worth of commodities from another country, is not particularly convincing. But, as usual in cases of this kind, even the facts as to this matter appear to have been grossly misstated. Davenant, in his First Report to the Commissioners of Public Accounts, sensibly ob-

* Chron. of Com ii. 548.

† Ibid., p. 571.

serves,—“It has never been popular to lay down that England was not a great loser by the French trade; but, in inquiries of this kind, truth should be more hunted after than popularity, and I shall endeavour to set this matter in as true a light as the nature of it will admit of, and which lies so obscure for want of knowing right of matter of fact. As to the importations and exportations of commodities between the respective kingdoms, so far is beyond contradiction, that all the while England flourished and grew rich by an extended traffic (which was by Queen Elizabeth’s reign down to the year 1640), the two countries did not load one another with prohibitions of, or high duties upon, each other’s product or manufactures, which that country would certainly have done that had found itself any considerable loser by their mutual dealings, which must have been seen and felt in so long a tract of time; so that during this space it is rather to be presumed both kingdoms reciprocally found their account by the commerce that was between them. During the afore-mentioned period the strength and power of France was not become formidable, and the prodigious growth of the House of Austria was what employed all our fears; but, as you know, about the year 1660, the face of affairs in Europe changed, the Spanish monarchy was declined, and France became the rising empire. And it rose so fast as to beget just apprehensions to England for our future safety. In the meanwhile several good patriots, perceiving the court then fatally running into French interests and measures, and finding it would be difficult to engage the people (newly come out of a civil war) to follow and join with them in more national councils by speculations merely political concerning the progress of the French arms and power, they thought the best course to awaken Englishmen was to alarm them about the danger they were in to lose their trade, and for this reason nothing was so common as to cry that England was undone by the prodigious overbalance the French had upon us.” To prove this, divers estimates were drawn up and laid before the king, the committees of council, and the House of Commons. With regard to these

estimates, Davenant remarks, in the first place, that, whatever may have been the case as to the trade with France, it is evident, beyond all dispute, that, from the Restoration to the Revolution, our trade with the whole world must have been a most gainful one, even in the sense of those who will admit nothing but an overbalance of gold and silver to be a gain in commerce, seeing that, in that space of time, there was actually coined at the Mint, as appears from the Mint-rolls, above six millions of gold and above four millions of silver. "If England," he proceeds, "had suffered such a drain as the loss of a million per annum by its dealings with one single country, there could not have been such an immense coinage in those years, nor could the bullion we received from Spain, returned as the overbalance of the trade we had with the Spaniards, have answered and made good such a constant issue: from whence follows, that this balance against us of a million yearly, which has been asserted in several books, and in memorials laid before the king and council, and both Houses of Parliament, must have been chimerical, for bye-ends advanced by some, and ignorantly followed by others." He then states various facts which go to show at least that considerable exaggeration had been used in making up the accounts which appeared to prove so great a balance of imports from France; and, on the whole, he comes to the conclusion, that, if the goods sent from England to France, and those brought from France to England, had been fairly valued, there would be found to have been no considerable difference between the money amount of the one and of the other. But, after all, he goes on to remark, the question remains, "how far the excess between the exports and imports may be deemed a certain rule, whereby to judge whether a country gets or loses by its trade?" And upon this point he adduces some startling facts. Both in 1663 and 1669, as we have already seen, the imports very greatly exceeded the exports on our trade with the whole world: yet in both those years it was not to be disputed by any man in his senses that we carried on a thriving traffic on the whole. On the other hand, in five more recent years,

for which he presents from the Custom-house books an abstract of the exports and imports between England and all foreign countries, it appears that the exports regularly exceeded the imports in a very high degree; "and I believe," he says, "it has been the same from 1688 to the time the books of my office began: however, it can hardly be affirmed, and the merchants upon the Exchange will scarce agree, that during this time England has carried on a profitable trade; at least there appears no over-balance returned to us in bullion, to set the Mint at work; contrariwise, our specie of gold and silver, since that time, is by degrees visibly diminished." In fine, from these and various other considerations, Davenant is led to have strong doubts whether the popular notion of England having been a loser in her trade with France from the Restoration to the Revolution, or to the passing of the prohibitory act in 1678, be not a mere popular delusion. "Great Britain at that time," he observes, "had no marks upon it of a nation declining in wealth and commerce: the interest of money was low, the species of gold and silver abounded; the middle ranks of men had a large proportion of plate among them; after a general conflagration the city was rebuilt in a few years, magnificent public edifices were erected, the farm-houses everywhere were in good repair." He adds that the tonnage of mercantile shipping infinitely exceeded what it was when he wrote, in 1711; and that even at the low duties then in force the customs for the year ending Michaelmas, 1677, produced no less than 828,200*l*.* All this he justly considers to have been the fruits and the evidence, not of a decaying, but of a prosperous and extending, trade.

In 1685 occurred an event which was followed by important consequences to the industry both of France and England, the flight from the former country of a large portion of its manufacturing population on the revocation of the law passed by Henry IV. in 1598 for the protection of his Protestant subjects, called, from the place of its pro-

* This agrees very nearly with the account printed by Chalmers, if we take in the additional duty on wines, which that year produced nearly 150,000*l*.

mulgation, the Edict of Nantes. The number of persons who withdrew from the dominions of the French king upon this occasion is supposed by the lowest estimate to have exceeded three hundred thousand ; but, including all who during some years before had fled from the coming storm, as well as those whom it swept before it when it actually broke out, they have been reckoned to amount to eight hundred thousand, or even to a million. Of the mere working people the greater part settled in Prussia ; whither, Frederick II. informs us, in his *Memoirs of the House of Brandenburg*, they brought all sorts of manufactures which the country before wanted, establishing, under the protection of the Elector Frederick William, the fabrication of cloth, serges, stuffs, druggets, crapes, caps, stockings, hats, and also the dying of all sorts of colours. "Berlin," it is added, "now had goldsmiths, jewellers, watchmakers, and carvers ; and such as were settled in the open country planted tobacco, and a variety of fruits and pulse." But those of a superior class or who had more money, generally took refuge in England and Holland. Voltaire, who makes the entire number that left France in three years about five hundred thousand, says, "An entire suburb of London was peopled with French manufacturers of silk : others carried thither the art of making crystal in perfection, which has been since this epoch lost in France."* Besides Spitalfields, the suburb alluded to by Voltaire, some thousands of them settled in Soho and St. Giles's ; and, besides those who took up their abode in London, many were dispersed in various parts of the country. "It may seem somewhat strange," Anderson writes, "that more of them did not settle in England, considering the general liberty of this free nation ; yet, through the too general and impolitic aversion of the English to all strangers, even though suffering for the Protestant religion, and their monopolizing corporation cities and towns, and, on the other hand, the great immunities, &c., allowed them in Holland, Switzerland, Germany, and Prussia, we are not to wonder that not above fifty thousand of them did actually settle in England ; where, in-

* *Siècle de Louis XIV.* chap. 32.

stead of doing us hurt, they have proved a great and manifest blessing by improving some of our ancient arts and manufactures, and likewise by introducing various new ones. Others, however, think that in all there were settled in Great Britain and Ireland at least seventy thousand of those refugees....As many of those refugees were eminent merchants, and did undoubtedly bring along with them much money and effects, I have seen a computation on the lowest supposition of only fifty thousand of those people coming to Great Britain, and that, one with another, they brought sixty pounds each in money or effects; so that they added three millions sterling to the wealth of Britain." He adds, that even in King James the Second's reign large collections were made for the refugees; and that at the Revolution the yearly sum of 15,000*l.* was settled on such of them as either were persons of quality, or were, through age or other causes, unable to support themselves. To these French refugees, "England," he observes in conclusion, "owes the improvement of several of its manufactures of slight woollen stuffs,—of silk, linen, paper, glass, hats (the two last since brought to the utmost perfection by us). The silks called alamodes and lustrings were entirely owing to them; also brocades, satins, black and coloured mantuas, black paduasoyes, ducales, watered tabbies, black velvets; also watches, cutlery-ware, clocks, jacks, locks, surgeons' instruments, hardware, toys, &c."*

The reduction of the legal rate of interest to six per cent., which had been made by the Rump parliament in 1651, was confirmed after the Restoration by the act 12 Car. II. c. 13, entitled, An Act for restraining the taking of excessive Usury. "The abatement of interest from ten in the hundred in former times," the preamble declares, "hath been found, by notable experience, beneficial to the advancement of trade and improvement of lands by good husbandry, with many other considerable advantages to this nation, especially the reducing of it to a nearer proportion with foreign states with whom we

* Chron. Deduct. of Commerce, ii. 569.

traffic ; and in fresh memory the like fall from eight to six in the hundred *by a late constant practice* hath found the like success, to the general contentment of this nation, as is visible by several improvements." In Scotland the reduction was not made till 1672. To the reduction of interest to six per cent. Sir Josiah Child, in his "Brief Observations concerning Trade and Interest of Money," first published in 1688, ascribes the most important effects in the augmentation of the national wealth ; and, although his notion upon this point is a mere fallacy, some of the facts which he mentions, and with regard to which his authority is unquestionable, however much he may be mistaken as to the cause to which he would trace them, are curious. When he wrote, he asserts, there were more men to be found upon the Exchange of London worth ten thousand pounds than were worth one thousand when the reduction was first made by the Rump parliament. He adds, that five hundred pounds with a daughter, sixty years before, was esteemed a larger portion than two thousand pounds now ; that gentlewomen in former times esteemed themselves well clothed in a serge gown, which a chambermaid would now be ashamed to be seen in ; and that, besides the great increase of rich clothes, plate, jewels, and household furniture, there were a hundred coaches now kept for one that was kept formerly.

Of the great chartered associations which in earlier times used to monopolize the commerce to different foreign regions, the East India Company is the only one which demands any particular notice in the present period. While the others, as trade outgrew the need of such shelter and propping, were gradually losing their exclusive privileges and sinking towards decrepitude and insignificance, it was fast surmounting the impediments of various kinds, both abroad and at home, that had hitherto entangled its progress, and becoming every day more prosperous and more firmly established. Although the charter the Company had obtained from Cromwell in 1657 was not yet expired, it was thought advisable, in the change that all things had undergone, to get a new one from the restored king ; and they were accordingly re-

incorporated by Charles, on the 3rd of April, 1661, with a full confirmation of all their ancient privileges, and the important additional rights:—1. Of erecting so many forts as they pleased in India and St. Helena, and appointing judges to try both civil and criminal causes; 2. Of making peace and war with any people not Christians, within the limits of their trade; 3. Of seizing all English subjects found without their licence in India or in the Indian seas, and sending them home to England. In 1669 the island of Bombay, which Charles had received from Portugal as part of the dower of Queen Catherine, was made over by him to the Company, to be held by them “in free and common soccage, as of the manor of East Greenwich, at an annual rent of ten pounds.” The trade of the Company now became so lucrative, that in 1676 they were enabled to double their capital out of their accumulated profits; on which the market price of their stock immediately rose to 245 per cent. A view of the state of the commerce with India about this time is very fully given in a publication which appeared in 1677 entitled “The East India Trade a most profitable Trade to this Kingdom,” and which is supposed to have been written by Sir Josiah Child. The Company, this writer states, then employed from thirty to thirty-five ships, running from 300 to 600 tons burden, and carrying, or capable of carrying, from forty to sixty or seventy guns each. Their annual exports amounted to about 430,000*l.*; namely, 320,000*l.* in bullion, and the remainder in cloth and other goods. Their imports in calico, pepper, saltpetre, indigo, silk (raw and wrought), drugs, &c., had in the year 1674-5 produced 860,000*l.*, and often yielded a much larger sum. Besides this, the private trade allowed by the Company to owners of ships, commanders, and seamen, as well as to their own factors, for diamonds, pearls, musk, ambergris, &c., occasioned an annual export of from 80,000*l.* to 100,000*l.* in bullion, and about 40,000*l.* or 50,000*l.* in goods, and brought returns to the amount of 250,000*l.* or 300,000*l.* Of the 110,000*l.* worth of goods exported by the Company, 40,000*l.* or 50,000*l.* worth

consisted of foreign commodities, the rest of home produce and manufactures, such as drapery, tin, and lead. Of the imports, there might be consumed in England, pepper to the value of 6,000*l.*; saltpetre to that of 30,000*l.*; silks (raw and manufactured) to that of 30,000*l.*; calicoes to that of 160,000*l.*; and indigo and other drugs to that of from 10,000*l.* to 15,000*l.* “All the rest of the returns abovementioned,” the statement proceeds, “amounting to 630,000*l.* value, are transported to foreign markets, as is also most part of the private trade. The pepper I reckon at 8*d.* per pound weight, so necessary a spice for all people, which formerly cost us 3*s.* 4*d.* per pound, being nowhere to be had but in India; and, were we obliged to have it from the Dutch, they would probably raise it as high as they do their other spices; yet, supposing it so low as 1*s.* 4*d.* per pound, it would be a further annual expense of 6000*l.* to the nation. Saltpetre is of that absolute necessity, that without it we should be like the Israelites under the bondage of the Philistines—without the means of defending ourselves. Possibly, even if we had no Indian trade, we might in time of peace, purchase it, though it would cost us double what it now does. But in case of war where could we have sufficient? Not, surely from our enemies. Or, would our gentlemen, citizens, and farmers be willing to have their cellars and rooms dug up as in King Charles I.’s reign, and be deprived of freedom in their own houses, exposed and laid open to saltpetre-men? Which method would be, besides, by no means equal to the affording us the necessary supplies. Raw silk we might possibly be supplied with from other parts, though not so cheap as from India. And India wrought silks serve us instead of so much Italian or French silks, which would cost us almost treble the price of Indian silks, to the kingdom’s loss of above 20,000*l.* yearly. Calicoes serve instead of the like quantity of French, Dutch, and Flemish linen, which would cost us thrice as much; hereby 200,000*l.* or 300,000*l.* is yearly saved to the nation. And, if the linen manufacture were settled in Ireland so as to supply

England, our calicoes might be transported to foreign markets." At this time the linen manufactured at home probably did not supply a thousandth part of the consumption. Female dresses had been wont to be principally made of French cambrics, French and Silesia lawns, and other flaxen fabrics of Flanders and Germany; but these fabrics were now beginning to be pretty generally supplanted by the muslins of India. Plain calicoes were also now brought in considerable quantities from India to be printed in England, in imitation of the Indian printed chintzes, the bringing home of which was at last prohibited altogether, for the better encouragement of the English printing business.

It was during the present period that Tea was first brought to England. Known from the remotest antiquity in China and Japan, tea is mentioned under the name of *sah* as the common beverage of the Chinese by the Arabian merchant Soliman, who wrote an account of his travels in the East in the year 850. The earliest European writers, however, by whom it is mentioned, are some of the Jesuit missionaries who visited China and Japan a little before the middle of the sixteenth century, and who describe it in their letters under the names of *cha*, *cia*, *tchia*, and *thee*. It appears to have been first imported, at least in any quantity, by the Dutch East India Company soon after the beginning of the seventeenth century; and by them the small demand of Europe during the greater part of that century was principally supplied. Tea is not enumerated, any more than coffee or chocolate, in the table of rates appended to the tonnage and poundage or customs' dues act passed by the Convention Parliament in 1660 (12 Car. II. c. 4); but it is mentioned in the act passed in the same year imposing an excise upon beer, ale, and other liquors (12 Car. II. c. 23); two of the rates or duties there enacted being, "For every gallon of coffee made and sold, to be paid by the maker, 4*d*." and, "For every gallon of chocolate, sherbet, and tea, made and sold, to be paid by the maker thereof, 8*d*." And the tax upon tea continued to be an excise duty, that is to

say, to be levied not upon the imported commodity, but upon the liquor made and sold, till the Revolution. At this time the beverage was only just beginning to be known in England. Pepys, in his Diary, under date of September 25th, 1661, records, "I sent for a cup of tea (a Chinese drink), of which I had never drank before." The poet Waller has some lines on the birthday of Queen Catherine, which he entitles, "Of Tea commended by her Majesty;" and from which it should seem that her example had brought the new drink into fashionable use, if, indeed, the poet is not to be understood as, (by a courtly compliment not strictly true) attributing to her majesty, who came over here in 1662, the introduction of it for the first time into the country:—

"The best of queens and best of herbs we owe
To that bold nation, which the way did show
To the fair region where the sun does rise,
Whose rich productions we so justly prize.
The muse's friend, Tea, does our fancy aid;
Repress those vapours which the head invade;
And keeps that palace of the soul serene,
Fit on her birthday to salute the queen."

For some time after this, however, the quantity of tea brought to Europe continued to be very small. In 1664 the East India Company could only procure two pounds and two ounces, which cost them forty shillings a pound, when they wanted to make a present of some rarities to the king; and in 1666 they had to pay fifty shillings a pound for twenty-two pounds and three-quarters, which they in like manner presented to his majesty. Their own first importation was in 1669, when they received two canisters containing $143\frac{1}{2}$ pounds from Bantam, which they did not sell, but partly gave away in presents, partly used in the House for the refreshment of the committees. After this, however, they gradually increased their importations, though still making their purchases generally at second-hand in Madras and Surat, having only once gone for the article to the port of Amoy in China, till, in the year 1678, they brought home 4713 pounds; a

quantity so large that it glutted the market, so that in the six following years their importations in all amounted only to 410 pounds. It was not, therefore, till after the Revolution that the consumption of tea began to be at all general in this country.*

St. Helena, the possession of which had been confirmed to the Company by their last charter, was taken by the Dutch in 1665, but was regained in 1672, and the following year re-granted by the Crown to the Company for ever. On the 5th of October, 1677, they also obtained a new charter from Charles II., empowering them, among other privileges, to coin money at Bombay and their other possessions in India. In 1680 the first notice occurs of a ship sent by the Company to China. In 1683 they lost their factory at Bantam in the island of Java, one of their oldest and best establishments, in consequence of having taken the unsuccessful side in a quarrel between the king and his son, the latter of whom was assisted by the Dutch, who, on their victory, obtained possession of the factory, which, with the exception of a few years during the last war, they have continued to hold ever since. On this the English established a new factory, which they fortified at a great expense, at Bencoolen, near the southern extremity of Sumatra,—by this means preserving the pepper trade, which would otherwise have all fallen into the hands of the Dutch. On the 3rd of August, 1683, Charles II. granted the Company another charter, conferring upon them some new powers, in particular the right of exercising martial law in their garrisons in India, and of establishing courts for the trial of crimes committed on the seas within the limits of their trade. They afterwards obtained another charter, still further enlarging their privileges, from James II., on the 12th of April, 1686. In India, in the meanwhile, they had become involved in a quarrel with the Nabob of Bengal, within whose government they had had a flourishing factory at Hooghly, a town on the west branch of the Ganges, and the chief port of the province; the result of which was,

* Macpherson, *Com. with India*, pp. 128—132.

after some fighting, that they removed in 1687 from Hooghly to Sootanutty, a place twenty-three miles lower down, and situated on the opposite or east bank of the same river. From this village has sprung the magnificent modern capital of Calcutta.

There remains to be shortly noticed a comparatively new branch of commerce, which was already rising into importance,—that carried on with the settlements in North America, commonly, in those days, called the Plantation Trade. Davenant tells us that, according to “an account from such as have formerly perused the Custom House books with great care,” the average annual value of exports from England to America, in provisions of all kinds, apparel, and household furniture, in the six years from 1682 to 1688, was about 350,000*l.*; while that of the imports, consisting of tobacco, sugar, ginger, cotton wool, fustic wood, indigo, cocoa, fish, pipe-staves, masts, furs, &c., together with fish from Newfoundland, was not less than 950,000*l.* Of the imports he calculates that about the value of 350,000*l.* might be retained for home consumption; so that there would remain about 600,000*l.* worth to be exported.*

It was the new direction given to trade on the one hand by the East India Company, on the other by the interchange of commodities thus carried on between the mother-country and her Trans-atlantic colonies, to which is chiefly to be ascribed the eager agitation that now began of many of the principles of what has, in more recent times, been termed the science of Political Economy. It is hardly correct to state that the birth of this science in England is to be dated from the present period; for it had in fact been a subject of occasional speculation for at least a century before, in proof of which we need only refer to the very remarkable tract entitled “A Compendious or Brief Examination of certain ordinary Complaints of divers of our Countrymen in these our Days, by W. S.,” (said to mean William Stafford,) which was published in 1581, and which discusses, with a great deal

* Discourses on the Public Revenues and Trade; Part II. Discourse III. “On the Plantation Trade:” in Works, ii. 17.

of acuteness, some of the most difficult questions connected with the subject of the origin and distribution of wealth.* But the subject of foreign trade at least had never before been so systematically examined as it now came to be by a crowd of writers in the disputes that arose between various rival commercial interests. We have already had occasion to exhibit some specimens of the reasonings and general views of several of these early speculators, divided as they already were into a number of hostile schools and factions. The prevalent or more popular theories were what have been called the mercantile and manufacturing systems, which, although distinct, were so far from being opposed, that a belief in the one led naturally to the adoption of the other. The manufacturing system, however, was held by some who were not among the adherents of the mercantile system; and of the two it certainly was by far the least unreasonable. The mercantile system assumed that nothing was really wealth except gold and silver; and that consequently the sole test of the profitableness of any branch of trade was whether, on the whole, it brought more money into the country than it took out of it.† The fundamental principle of the manufacturing system was, that a trade was profitable to the public whenever, by means of any restrictions or exclusive privileges, it could be made gainful to the capitalists by whom it was carried

* A pretty full account of this tract (which at one time used to be attributed to Shakspeare, and was indeed reprinted with his name in 1751) may be found in the Penny Magazine for 1836, pp. 130, 148, 164, and 190. We may add, here, that according to a notice in Reed's Catalogue of Law Books, 1809, p. 36, it is said, in the "Memoirs of William Lambard, in Append. in Bibl. Brit. Top." to have been really written by Sir Thomas Smythe or John Yates, in the reign of Henry VIII. or Edward VI.

† "Even jewels, tin, lead, or iron, though durable, do not deserve to be esteemed treasure," says one of these writers, Mr. Pollexfen, in a publication entitled "England and East India Inconsistent in their Manufactures," quoted by Davenant, Works, i. 382.

on, and their equally protected allies, the raisers and manufacturers of the merchandise the export of which it encouraged. The interest of the purchasers and consumers of the commodities brought home by the trade, that is, of the great body of the community, this theory entirely overlooked, or at any rate treated as a matter of very secondary importance. If the restrictions under which the trade was carried on could be shown to be advantageous for those actually engaged in it, that was enough—it was assumed that they must be beneficial for the public generally. There was, at any rate, nothing in all this repugnant to, or irreconcilable with, the above-mentioned principle of the mercantile system;—on the contrary, the doctrine that nothing was a gain in commerce except a balance in money, or an excess of exports over imports, agreed very well with the further notion that such balance and excess were to be best secured, not by leaving commerce free to flow in its natural channels, but by forcing it in particular directions through all sorts of embankments and artificial conduits.

The most noted among the theoretical writers on the subject of trade in this age, in England, were Mr. Thomas Mun, Sir Josiah Child, and Sir William Petty. The immediate object of most of the publications both of Mun and Child was the defence of the East India Company both against the assailants of its exclusive privileges and against other parties who denounced the Indian trade altogether as bringing a heavy annual loss upon the nation. It is curious to remark the gradual dawning upon men's minds of just views as to this matter with the advance of discussion and experience. Before the controversy about the trade with India, the almost universally received belief had been that the exportation of gold and silver ought as far as possible to be prevented altogether. This was what our old laws had constantly attempted to do; and in fact it was not till the year 1663 that, by a clause in an act for the encouragement of trade (15 Car. II. c. 7, s. 9), it was made lawful to export *foreign* coin or bullion,—“forasmuch as several considerable and advantageous trades cannot be conveniently driven and

carried on without the species of money or bullion, and that it is found by experience that they are carried in greatest abundance (as to a common market) to such places as give free liberty for exporting the same, and the better to keep in and increase the current coins of this kingdom." Here we find apparently a partial recognition of the principle, which was properly the distinguishing principle of the mercantile system, that a trade, though occasioning the export of bullion, might still be profitable, if its imports, by being re-exported, brought back to the kingdom more bullion than had in the first instance been carried out. It was upon this consideration that Mun first, and afterwards Child, endeavoured to establish the profitableness of the trade with India: they did not, and could not, deny that it was only to be carried on by a regular annual exportation of treasure to a considerable amount; but they contended that, although, looked at by itself, it thus showed an unfavourable balance, or, in other words, might be called a losing trade, yet it became in the end greatly the reverse by the much greater amount of treasure which it enabled us every year to draw back from other European countries, which we supplied, after satisfying our own consumption, with eastern commodities. As an answer to the particular objection which it professed to meet, this reasoning was sufficiently conclusive; and the mercantile system, in so far as it opposed the old prejudice against the exportation of gold and silver in any circumstances, was undoubtedly in the right, and was a step in advance. It was even in advance of the law of 1663, which only permitted the exportation of foreign bullion; for the argument urged by Mun and Child implied no limitation of that kind. Mun published his *Defence of the East India Trade* in 1621; his *Treasure by Foreign Trade*, his principal work, did not appear till 1664, some years after the author's death, but had probably been written about 1635 or 1640.* Child's *New Discourse of Trade*, the principal object of which was to urge the reduction of the

* *Principles of Political Economy*, by J. R. M'Culloch, Esq. 2nd edit. 1830, p. 30.

legal rate of interest, was first published, as already stated, in 1668, and re-published in 1690: the anonymous pamphlet attributed to him in defence of the East India Company appeared, as we have also mentioned above, in 1677. These works of Mun and Child, mistaken as the writers are in some of their leading principles, contain many incidental arguments and remarks of great value, and which must have materially helped to advance the science of which they treat, notwithstanding their fundamental errors. The principal work of Sir William Petty, besides his *Political Arithmetic*, which treats chiefly of the subject of population, is his "*Quantulumcunque*," a treatise on money, published in 1682, in which there are also many sound observations, though even he had not altogether emancipated himself, any more than his predecessors and contemporaries, from the false notion that there was something about gold and silver distinguishing them as articles of commerce from all other commodities. The first promulgation of perfectly sound views upon this subject was reserved for a date a few years beyond the close of the present period.

In 1655 Cromwell had appointed his son Richard, and many other lords of his council, judges, and gentlemen, together with about twenty merchants of London, York, Newcastle, Yarmouth, Dover, and other towns, "to meet and consider by what means the traffic and navigation of the Republic might be best promoted and regulated," and to make a report to him on the subject.* But the first permanent Board of Trade appears to have been that established, on the recommendation of Ashley, by Charles II., in 1668, under the name of the Council of Commerce, consisting of a president, vice-president, and nine other members, with regular salaries. The Earl of Sandwich was appointed the first president; and after his death, in the sea-fight of 1672, Ashley himself, now Earl of Shaftesbury and Lord Chancellor, was nominated as his successor in a new commission, in which the reasons for establishing the council were stated to be

* *Thurloe's State Papers*, iv. 177.

the considerable enlargement that had of late years taken place in his majesty's dominions, "by the occasion of many great colonies and plantations in America and elsewhere," and the increase that the customs and royal revenues had received, as well as the trade and general wealth of the kingdom, by the mutual commerce and traffic between England and the said colonies and plantations. This Council of Commerce, however, remained in existence only a few years, Charles probably finding the expense inconvenient.

According to the account laid before the House of Commons in 1791, as made up at the Navy Office, the tonnage of the royal navy was, at the Restoration, 57,463 tons; in 1685, at the end of the reign of Charles II., 103,558; and at the Revolution, in 1688, 101,892. Notwithstanding the attention, therefore, which James II. is said to have paid to maritime affairs, and the liberal expenditure on this branch of the public service for which it is customary to give him credit, the royal navy would appear to have been diminished rather than augmented in the course of his short reign.

Among the acts of the Convention Parliament, in 1660, was one (the 12 Car. II. c. 35) giving a new establishment to the Post Office, or rather continuing the regulations which had been established by the Commonwealth ordinance in 1656. The lowest rate fixed by this act, was two-pence, which was the charge for a single letter between places not more than eighty miles distant from each other. There is nothing said about franking in the act; although a resolution brought up by a committee of the House of Commons on the 28th of March, 1735, and agreed to by the House, affirms that the privilege of franking by the members of that House "began with the erecting a post-office within this kingdom by act of parliament." In 1663 the post-office revenue, along with the produce of the wine licences, was settled by another act (15 Car. II. c. 14) on the Duke of York and his heirs male; at which time it appears from a clause in the act that the office of post-master-general was farmed at a yearly rent of 21,500*l*.

On the accession of James II. the revenue of the post-office was estimated at 65,000*l.* per annum. As connected with this matter it may be here mentioned that the first toll-gates or turnpikes erected in England are supposed to have been established in 1663, by the act 15 Car. II. c. 1, entitled "An Act for Repairing the Highways within the Counties of Hertford, Cambridge, and Huntingdon." They were ordered to be erected at Wadesmill in Hertfordshire, at Caxton in Cambridgeshire, and at Stilton in Huntingdonshire. The preamble of the act recites that "the ancient highway and post-road leading from London to York, and so into Scotland, and likewise from London into Lincolnshire, lieth for many miles in the counties of Hertford, Cambridge, and Huntingdon, in many of which places the road, by reason of the great and many loads which are weekly drawn in waggons through the said places, as well by reason of the great trade of barley and malt that cometh to Ware, and so is conveyed by water to the city of London, as other carriages, both from the north parts, as also from the city of Norwich, St. Edmondsbury, and the town of Cambridge to London, is very ruinous, and become almost impassable, insomuch that it is become very dangerous to all his majesty's liege people that pass that way."

The growth of London during the present period, notwithstanding the ravages of the great plague and fire, still proceeded at an accelerating rate. We shall briefly note down in their chronological order a few of the facts which more distinctly indicate this continued extension of the English metropolis. An act passed in 1662 (the 13 and 14 Car. II. c. 2), for repairing the highways in London and Westminster, supplies us with various particulars as to its state at that time. The preamble of the act recites that "the common highways leading unto and from the cities of London and Westminster and the suburbs thereof, and other places within the present weekly bills of mortality, by reason of the multitude of houses lately built, and through the stopping and filling up the ditches and sewers, and neglect of timely repara-

tions, are at present, and for some years past have been, so miry and foul as is not only very noisome, dangerous, and inconvenient to the inhabitants thereabouts, but to all the king's liege people riding and travelling to and from the said cities." The following "common highways and new-built streets" are particularly ordered to be immediately repaired, new-paved, or otherwise amended:—namely, "the street or way from the end of Petty France to St. James's House, and one other street from St. James's House up to the Highway (the present St. James's-street), and one other street in St. James's Fields, commonly called the Pall Mall, and also one other street beginning from the Mews up to Piccadilly (the present Haymarket), and from thence towards the Stone Bridge to the furthestmost building near the Bull, at the corner of Air-street." The number of hackney-coaches now allowed to be licensed, it appears from another clause of the act, was four hundred, or one hundred more than in 1654. Another clause, on the ground that "great quantities of sea-coal ashes, dust, dirt, and other filth, of late times have been and daily are thrown into the streets, lanes, and alleys" of the capital, directs the inhabitants to sweep the streets before their respective houses twice a week, under a penalty of 3s. 4d. for every instance of neglect. Every person whose house fronted the street was also ordered to "hang out candles or lights in lanterns or otherwise in some part of his house next the street" every night, between Michaelmas and Lady-day, from dark until nine o'clock in the evening, under the penalty of 1s. So that at this time the streets of London were not lighted at all during the summer months, and not after nine o'clock even in winter. Finally, a list is given of streets which the lord mayor and city authorities are authorized to receive subscriptions for repairing, as being "so narrow that they are incommodious to coaches, carts, and passengers, and prejudicial to commerce and trading:" these were, "the street or passage at or near the Stocks in London, the street and passage from Fleet Conduit to St. Paul's Church in London, the passage through the White Hart

Inn from the Strand into Covent Garden, the street and passage by and near Exeter House and the Savoy (being obstructed by a rail and the unevenness of the ground thereabouts), the passage and street of St. Martin's-lane out of the Strand, the passage or street of Field-lane, commonly called Jack-an-apes-lane, going between Chancery-lane and Lincoln's Inn Fields, the passage and Gatehouse of Cheapside into St. Paul's Churchyard, the passage against St. Dunstan's Church in the West (being obstructed by a wall), the street and passage by and near the west end of the Poultry in London, and the passage at Temple Bar." After the great fire in 1666, various additional streets in the part of the city that had to be rebuilt were ordered to be widened by two other acts (the 18 and 19 Car. II. c. 8, s. 21, 22; and the 22 Car. II. c. 11, s. 1). This terrible visitation, and the pestilence by which it was preceded, instead of half destroying and depopulating the metropolis, only gave a new impulse to its increase both in size and in number of inhabitants. After a few years the portion of it that had been laid waste rose again from its ruins greatly improved in many respects—with the old narrow and crooked streets for the most part straightened and made comparatively spacious and airy, and with the substitution everywhere of houses of brick, separated by substantial party-walls, for the former tenements of wood offering one continued dry forest to whatever chance spark might at any time fall among them. New buildings also continued to spread faster than ever beyond the ancient limits. In 1674 an order in council was issued to restrain such extension,—for the last time, it is believed, that that exercise of the prerogative was attempted. The increase of the west end continued to proceed at so great a rate that, in the first year of the next reign (1685), acts of parliament were passed erecting two new parishes in that quarter: the one, that of St. Anne's, Westminster, consisting principally of streets that had recently been erected on a piece of ground formerly called Kemp's Field; the other, that of St. James's, Westminster, comprehending Jermyn-street and other

neighbouring streets, lately erected on what used to be called St. James's Fields.* Both these districts had been till now included in the parish of St. Martin-in-the-Fields. Sir William Petty, we may observe, in his "Political Arithmetic," published in 1687, estimates the population of London at 696,000. He founds his calculation on the number of burials within the bills of mortality, the annual average of which he makes to be 23,212; and on the assumption that one person in every thirty died in the course of the year. Ten years later, Gregory King, calculating from the number of houses as ascertained from the hearth-money returns, made the population of London to amount only to about 530,000.† This estimate is probably as much too low as that of Petty may be too high.

The money of the Commonwealth was all called in after the Restoration, and a new gold and silver coinage immediately struck, similar to that of the preceding reign. In this first coinage of Charles II. the pieces were formed by the ancient method of hammering; the minters who had been employed in coining Cromwell's milled money having, it is supposed, withdrawn or concealed themselves, in apprehension of punishment, and probably also carried their machinery away with them. Milled money, however, was again coined in 1662, and of a sort superior to any that had as yet been produced, having graining or letters upon the rim, an improvement which had not appeared upon the milled money either of Queen Elizabeth or of Charles I. The new gold coin called the Guinea was first struck in 1662, without graining on the rim, and with graining in 1664. It was so called as being made of gold brought from Guinea by the African Company, who, as an encouragement to them to bring over gold to

* In the common editions of the Statutes these acts are included among the public acts, and numbered 1 Jac. II. c. 20 and 22: in the Record Commission edition their titles only are given in the list of Private Acts.

† Political Observations and Conclusions, published at the end of the fourth edition of Chalmers's Estimate of the Comparative Strength of Great Britain, 8vo. Lon. 1804.

be coined, were permitted by their charter to have their stamp of an elephant impressed upon whatever pieces should be struck from the metal they imported. "Of these guineas," says Leake, "forty-four and an half were coined out of the pound Troy, to go for twenty shillings each, though they never went for so little."* On all the English money of Charles II., coined after 1662, his head is made to look to the left, being the opposite direction to that in which his father's head is placed; and ever since it has been observed as a rule to make two successive sovereigns look in opposite ways on their respective coinages. Private halfpence and farthings of copper and brass, such as were formerly common, had again come into use in the time of the Commonwealth; and they continued to circulate after the Restoration till they were supplanted by an issue of the same description of money from the Royal Mint in 1672—a previous coinage of the year 1665 having been called in after only a very small portion of it had got into circulation. In 1684, the last year of his reign, Charles coined farthings of tin, with only a bit of copper in the middle. The figure, still retained, of Britannia sitting on a globe, holding in her right hand an olive-branch, and in her left a spear and shield, first appears on the copper coinage of this reign—having been modelled, it is said, after the celebrated court beauty, Miss Stewart, afterwards Duchess of Richmond.

The money of James II. is of the same kind with that of his brother. His only farthings and halfpence, like those struck by Charles in the last year of his reign, are of tin, with a bit of copper in the centre. After his abdication he coined money in Ireland out of old brass guns and kitchen utensils, and attempted to make it current as sterling silver. Afterwards even the brass failed, and he was obliged to fabricate crowns, half-crowns, shillings, and sixpences out of pewter.

* Hist. Account, p. 367.

CHAPTER IX.

FROM THE REVOLUTION TO THE ACCESSION OF GEORGE III.
A.D. 1688—1760.

THE Revolution, by plunging us into a war with France, at once altered a condition of things under which our foreign trade was rapidly growing and strengthening, in the peace and free intercourse between the two countries which had subsisted ever since the prohibitory act of 1678 had been repealed on the accession of James II. In the course of the eight years of war which followed the Revolution the customs fell off considerably; and in the interval between 1688 and 1696 the English shipping annually cleared outwards appears to have declined from 190,533 tons to 91,767, the foreign from 95,267 to 83,024, and the value of the merchandise exported (as officially estimated) from 4,086,087*l.* to 2,729,520*l.*, or by about a third of its whole amount.* Within the same space also the revenue of the post-office is stated to have been reduced from 76,318*l.* to 58,672*l.*; which may be taken as an evidence that the pressure of the war was not confined to our foreign trade, but was felt throughout our social system.

At the same time, no doubt, several branches of domestic industry might receive an impulse from the foreign supply being cut off. But those of our manufactures that derived any advantage in this way appear to have been only a few of inferior importance. Before the war we were accustomed to import considerable quantities of men's hats from Havre-de-Grace and other places in Normandy: this article we now set about making for ourselves with such success, that after some time English hats came to be both better and cheaper than French. The finer

* Chalmers's Estimate, p. 68, from accounts in the Exchequer books, communicated by Mr. Astle.

glass used in England had hitherto been almost entirely French, "for not only," observes Anderson, "very near all the plate glass of our coaches and chairs, and of our fine looking-glasses, came from France, but likewise our finest window-glass, which was usually called Normandy glass and French crown-glass; both which we have since made entirely our own manufacture in the highest perfection." This writer conceives, also, that the improvement of the various manufactures introduced some years before by the French Protestant artizans who fled to this country on the revocation of the Edict of Nantes could not have been so speedily nor so effectually accomplished, had it not been for the complete prevention of intercourse between the two countries by this war. To this cause he attributes the progress made by us in the manufacture of cutlery, watches, toys, ribbons, and especially of broad silk; in all of which branches we came in course of time even to outdo the French. In other cases, however, it is admitted that the failure of the usual supply from France merely occasioned the importation of the article from another quarter. Thus, before the war, we had been accustomed to consume the coarse linens of that country, called dowlases and locksams, chiefly manufactured in Normandy and Britany, to the annual value of above 200,000*l.*; but now, "England," says Anderson, "not being well able to be without those two sorts of linen, set the Hamburgers on imitating them so well, that the very names of those French linens with us are buried in oblivion." Here, then, the consolation was, that, if we were no gainers, our enemies at any rate were losers—that France was almost entirely deprived of a most profitable manufacture, which she was never likely to recover.

On the whole, however, the war, wasting capital on the one hand, and impeding its accumulation on the other,—augmenting the public burdens, and generally diminishing private gains,—could not fail, ere long, seriously to affect our economical prosperity; and accordingly, when it had been brought to an end by the peace of Ryswick, in 1697, the kingdom seems to have felt like a man staggering with fatigue and weakness. One writer of the day affirms,

“ that so great had been the losses of a seven-years’ war, if a great stock be absolutely necessary to carry on a great trade, we may reasonably conclude the stock of this nation is so diminished it will fall short, and that, without prudence and industry, we shall rather consume what is left than recover what we have lost.”* Dr. Davenant, in replying to this writer, although he does not take so desponding a view of the state to which the war had reduced us, yet admits not only that it put a stop to a course of constantly augmenting prosperity that had gone on without interruption from the Restoration, but that it had consumed much of the wealth accumulated in that previous long period of peace, as well as inflicted the most serious injury upon various branches of our trade. “ Besides the ordinary expences of the war,” he observes, “ our dead losses at sea, in nine years’ time, have amounted to a greater sum than is fit here to mention.”† In regard to our foreign commerce, he thinks it will be a great matter for the present if we can recover the ground we had lost during a contest which had left us, there and all over, sore with wounds. “ By the unlucky conduct of our naval affairs,” he proceeds, descending to particulars, “ the trade to and from this kingdom was chiefly done by princes and states in neutrality, such as Denmark and Sweden to the northward, Portugal and the state of Genoa, who have hereby not only increased in their shipping but in the knowledge of our trade ; and, unless care be taken to regain to England, in the very beginning of this peace, the ground we have thus lost, in all likelihood it will never be recovered.” He goes on to complain of encroachments that had been made upon the Navigation Act through “ the slack administration which war occasions ;” and then he adds the following account of the state to which some of the most important branches of our trade had actually been reduced :—“ The Norway and the

* Pollexfen, Discourse on Trade, Coin, and Paper Credit. 1697. Pollexfen was at this time a member of the Board of Trade.

† Discourses on the Public Revenues and on the Trade of England, 1698 ; in Works, i. 371.

Baltic trade have been lately carried on in a more disadvantageous way than ever; they always drained us of money; but this in some measure was compensated by giving employment to near a hundred sail of ships; but now they do not employ five ships, and for a great while have exported between 3000*l.* and 4000*l.* per annum. As to the Guinea trade, this war has brought it to a very low ebb, the French having disturbed our colonies, and destroyed our fortresses and places of strength upon the coast of Afric. The neglect in settling the African trade has forced the plantations [in America] for their support to deal with foreigners for negroes, and consequently to traffic with them in return for those negroes. Some of our West India plantations have been likewise very much dispeopled lately by plagues and earthquakes; and in some parts, during the late war, the natives are grown upon us; and in other places we have been harassed and ruined by the French. Our East India Trade is also in a very bad condition; losses abroad and discouragements at home have very much diminished the capital stock. The late piratical attempts on the Mogul's subjects and allies in the Red Sea have brought difficulties upon the Company's affairs in India not easily to be overcome; and these piracies are partly the effect of that loose administration with which war is accompanied; for the ships which have committed these depredations have been chiefly fitted out from the West India ports: if the governors there had kept a jealous eye over these freebooters and buccaneers—if they had narrowly watched their goings out and their comings in—if, instead of sharing in the spoil (which perhaps has been practised), they had compelled suspected persons to give good security for their behaviour, or laid an embargo on their ships—and if they had been vigorous in seizing and prosecuting these pirates at their return (the contrary of which is but too notorious), such wicked actions and breaches of the laws of God and nations could never have been committed.”*

Davenant, however, argues that, notwithstanding all it

* Discourses on the Public Revenues, &c., in Works, i. 898.

had suffered, the country had the principle of life still strong within it; and that even from the manner in which it had stood the severe strain of this war great consolation was to be derived, and hope for the future. After remarking that we had been able "to maintain a war abroad, with a fleet at the yearly charge of 2,500,000*l.*, and a land army at the yearly charge of above 2,500,000*l.*, of which a great part for some time has been spent in other countries,"—and "(the ordinary revenues of the crown not included) to give in taxes upwards of 39,000,000*l.* of which about 25,000,000*l.* have been actually levied, 14,000,000*l.* are in a way of payment, and the rest remains a debt to be provided for,"—he proceeds, in the following passages, to give as comprehensive and trustworthy a description as is probably anywhere to be found of the real state in which the war had left the kingdom:—"Our stock in stored goods, plate, jewels, money, and merchant-ships, is apparently not so great now as it was in 1688; however, we have still so good a prospect, and such a remainder of strength, as, if it be well managed, our affairs may be restored in some moderate term of time. A good symptom, for the present, of remaining health and vigour in the body politic is, that we see nothing abated in the price of our native commodities. And, besides, without doubt, we have yet felt no such poverty as has reduced us to let our buildings and farm-houses go to ruin. As yet, there has been no where a visible fall in the rents of land and houses. It is true the interest of money is risen; but that has plainly proceeded from the advantage men have found by dealing with the exchequer. It is to be feared our stock of shipping for trade is less at present than before: however, our fleet and naval strength is apparently more powerful now than ever it was; and undoubtedly this war has bred us more able seamen than formerly we had. But the truest sign of our vitals not being tainted, and that we are not wounded in any noble part, is, that our manufactures and all our home produce, generally speaking, hold up to their former rates. For this is a direct evidence that we are not at all, or very little, diminished in the numbers

of our people ; and it is a mark that, though we may have been interrupted in our importations, yet that we export rather more than in former times. If we decreased in people to any degree there would be less consumption, and consequently our home commodities would have become cheaper ; and, if there were not a great call abroad for our product and manufactures, they must sink in value here. Not only now, but during the whole war, they have sold well at home and abroad, which is a sign that we did not quite consume and live altogether upon the capital, but that our annual produce and income did go a great way towards maintaining our foreign expenses." The war, finally, he observes, had not been unproductive of some advantages to our domestic industry, which helped to enable us to sustain the heavy pressure it had laid upon us :—" As it hindered our trade, and was expensive to us, so it interrupted the tillage, labour, and manufactures of other countries, and created there a necessity of our commodities ; to which must be attributed, in some measure, the great call that has been during nine years for our corn, barreled beef and pork, tallow, leather, cheese and butter, and coarser sort of drapery. . . . The returns of these commodities have helped us to maintain our foreign expenses, and have kept the radical moisture within the kingdom, which otherwise must have been quite exhausted by drawing out those sums that were necessary to subsist our troops in Flanders. This exportation, occasioned by the wants which war only had brought upon our neighbours, has stood in the room of money, which else must have been exported ; so that, comparing the present species with what was in the kingdom in 1688, there seems to be still more money left than we could reasonably hope to find after a war so long and so expensive. By the stock that had been gathered in peace, and by the benefit of these more than ordinary, and in some sort accidental, exportations, we have maintained ourselves for nine years ; and now, at the end of the business, our condition is very far from desperate."*

* Discourses on the Public Revenues, &c., in Works, i. 380.

The fact, often exemplified, of the rapidity with which a country recovers from the obstruction and waste of war, as if the spirit of enterprise started forth on the return of peace like a spring from which a heavy pressure had been removed, and the very vacuum to be filled up occasioned a sudden rush of activity and consequent gain into the re-opened channels of industry and commerce, verified Davenant's hopes and prognostications. The total tonnage of English ships cleared outwards rose again in 1697, the very first year of the peace, to 144,264 tons, and that of foreign ships to 100,524: and the entire official value of the exports to 3,525,907*l*. On the average of the three years 1699, 1700 and 1701, the last of the peace, the value of the annual exports was 6,709,881*l*., conveyed in 337,328 tons of shipping, of which no less a proportion than 293,703 was English, the foreign having by this time fallen to 43,625.* Comparing this state of things with the point to which our commerce had been depressed (as above recorded) in the last year of the war, we find that in five years of peace our exports had very considerably more than doubled, and our mercantile marine more than quadrupled. It appears also, that, whereas the net average annual income of the Post Office during the eight years of the war was only 67,222*l*. (it had fallen, as we have seen, to something considerably under this sum in 1697), its average amount for the space from 1698 to 1701 inclusive was 82,319*l*.† These figures look insignificant enough at the present day, but they do not for that the less distinctly indicate the movements of what may perhaps be styled one of the best barometers we possess of the commercial activity, and even of the general economical condition, of the country.

Having cast this summary glance over the progress of our trade and public wealth during the reign of William, we will now proceed to notice some of the most important or most illustrative particulars by which this portion of the history of our national industry is marked.

* Mr. Astle's transcripts, in Chalmers, p 72. † Ibid.

It was in this reign that the Bank of England was founded, principally through the exertions of Mr. William Paterson, famous also as the projector of the Scottish Darien Company. Paterson, according to his own account, commenced his exertions for the establishment of an English bank, similar to those already existing at Amsterdam, Venice, Genoa, and Hamburgh, in the year 1691. A principal object which he had in view from the first, in addition to the accommodation of the mercantile community, appears to have been the support of public credit and the relief of the government from the ruinous terms upon which the raising of the supplies and other financial operations were then conducted. The lowest rate, he tells us, at which advances used to be obtained from capitalists, even upon the land-tax, which seems to have been considered the surest part of the national revenue, was eight per cent., although repayment was made within the year, and premiums were generally granted to the subscribers. On anticipations of other taxes, counting premiums, discount, and interest, the public had sometimes to pay twenty, thirty, and even forty per cent. Nor was the money easily obtained when wanted even on such terms. It was no uncommon thing for ministers to be obliged to solicit the common council of the city of London for so small a sum as a hundred or two hundred thousand pounds, to be repaid from the first returns of the land-tax; and then, if the application was granted, particular common councilmen had in like manner to make humble suit to the inhabitants of their respective wards, going from house to house for contributions to the loan.* In these circumstances Paterson might have laid his account with the opposition of the monied interest, whose inordinate gains his proposed Bank was to put an end to; the disaffected, also,—that is, the enemies of the revolutionary settlement,—were all, he tells us, against it; their argument was, that the new Bank would engross to itself all the

* Paterson's Account of his Transactions in relation to the Bank of England, fol. 1695; and his Conferences on the Public Debts by the Wednesday's Club in Friday-street.

money, stock, and riches of the kingdom; but what he conceived he had less reason to anticipate was the difficulty he experienced in prevailing upon the government to go into his scheme. King William was abroad when the proposal was brought before the cabinet in 1693, where long debates took place upon it in the presence of the queen; but at last an act of parliament was passed (5 and 6 W. and M. c. 20), which, in imposing certain rates and duties on tonnage of ships, and upon beer, ale, and other liquors, authorised their majesties to grant a commission to take subscriptions for 1,200,000*l.* of the whole 1,500,000*l.* which the new taxes were expected to raise, and to incorporate the subscribers into a company, under the name of the Governor and Company of the Bank of England. Interest at eight per cent. was to be allowed upon the money advanced, and also 4000*l.* a year for management;* making the whole annual payment to the company 100,000*l.* The company were to be enabled to purchase lands, &c., and to exercise all the usual powers of bodies corporate; but were not to trade in the buying or selling of any goods or merchan-

* "This is the first instance," observes Anderson, "of any national fund being managed by any other than the crown officers at the Exchequer: which new method of allowing a round sum for charges of management has ever since been followed, not only with respect to the Bank, but also to the East India and South Sea Companies; which allowances for the expense of management, that is, for salaries of governors, directors, clerks, office-rent, &c., were at first usually computed from what similar funds had formerly cost the crown when managed at the Exchequer, though generally, in later times, I conceive, with some saving to the public in this new method." *Chron. Com.* ii. 604. The entire management of the public debt has since been confided to the Bank; and the annual sum now allowed to it for that service is about 130,000*l.* Previous to the renewal of the charter in 1833 the allowance exceeded 250,000*l.*; and before 1786 it was at the still higher rate of 562*l.* 10*s.* for every million of the debt. But even this was a great reduction upon the original rate which was not less than 3333*l.* 6*s.* 8*d.* per million.

dise, except that they might deal in bills of exchange, and in buying and selling of bullion, gold, or silver, and in selling of any goods or merchandise which should be pledged to them for money lent thereon, and might also sell the produce of their own lands. This act received the royal assent on the 25th of April, 1694; the subscription for the 1,200,000*l.* was completed in ten days, twenty-five per cent., or a fourth of the whole sum, being paid down; and the royal charter of incorporation was executed on the 27th of July following. It gave to the establishment the same constitution which it still retains, under a governor, deputy governor, and twenty-four directors, of whom Paterson was one. The new institution, though loudly clamoured against for some time, principally by interested parties, soon proved its usefulness to the general conviction. "The advantages," says Burnet, "that the king and all concerned in tallies had from the Bank were soon so sensibly felt that all people saw into the secret reasons that made the enemies of the constitution set themselves with so much earnestness against it."* Paterson himself ascribes to it no less an effect than the successful termination of the war:—"The erection of this famous Bank," says he, "not only relieved the ministerial managers from their frequent processions into the city for borrowing of money on the best and nearest public securities at an interest of ten or twelve per cent. per annum, but likewise gave life and currency to double or treble the value of its capital in other branches of public credit; and so, under God, became the principal means of the success of the campaign in the following year, 1695, as particularly in reducing the important fortress of Namur, the first material step towards the peace concluded at Ryswick in the year 1697."

A great operation in which the Bank, almost as soon as it had been set up, was called upon to assist the government and the country was the entire re-coinage of the silver money, which was undertaken in 1696. The

* Own Time, ii. 125.

inconveniences arising from the clipping of the silver currency began to be felt about the close of the reign of Charles II., and to a greater degree in that of James II., but only very seriously after the Revolution. In 1692 we find a clause in an act of parliament reciting that "the receivers of the revenue and aids given to their majesties, and divers other persons, have in many places of this kingdom refused to receive or take in payment any sort of cracked money, which by law is and ought to pass as the current coin of this realm, by reason of which refusal many of their majesties' good subjects are under great hardships and difficulties for want of money to pay their taxes and supply their other necessary occasions, whilst the said cracked money lies dead by them, and is rendered wholly useless to their majesties and their subjects."* The clause goes on to enact that whoever should refuse to take in payment any cracked money being the current coin of the kingdom should for every such offence forfeit five pounds, to be recovered by action by any person who would sue for the same. But the evil was not to be cured in this way; no act of parliament could make a piece of silver intrinsically, for instance, worth only ninepence or tenpence pass for a shilling; if dealers could not have the price of their goods in money of sufficient weight, they raised the price; and the law which compelled them to take the clipped money did not, and could not, prevent them from allowing discount to those who brought them shillings, sixpences, or half-crowns of the full weight, or from receiving gold coin for more than its legal value in silver; so that, except that it occasioned some inconvenience, this enactment proved quite ineffectual. Then, in 1694, an act was passed expressly "to prevent counterfeiting and clipping the coin." "It is manifest," says the preamble, "that of late years the current coin of this kingdom hath been greatly diminished by rounding, clipping, filing, and melting the same, and likewise many false and counterfeit coins have been clipped for the better dis-

* 4 W. and M. c. 14, § 7.

guising thereof;" and then it is declared to be apparent that these practices are "very much occasioned by those who drive a trade of exchanging broad money for clipped money, and by other acts and devices." To remedy this state of things it is now enacted, that, if any person should at any one time either exchange, lend, sell, borrow, buy, receive, or pay any broad silver money, or silver money unclipped, of the coin of the kingdom, for *more* than the same was coined for, and ought by law to go for, he should forfeit ten times the amount of the money so illegally exchanged. A variety of new restrictions were at the same time imposed upon the trade in bullion; such as, that no person should cast ingots or bars of silver, under a penalty of five hundred pounds; that none should buy, sell, or have in custody any clippings or filings of coin under the like penalty; that no person should export any melted silver without having it first stamped at Goldsmiths' Hall, and taking oath that no part of it had been before it was melted current coin of the kingdom, or clippings therefrom; that none but goldsmiths and refiners should deal in the buying or selling of silver bullion, under pain of suffering six months' imprisonment, &c.* But it might as well have been attempted to stop the flowing of the tide by act of parliament. Before this measure was devised, guineas were passing for thirty shillings, and exchequer tallies were often at from thirty to forty per cent. discount. The new act did as little good as the other passed two years before; "and," says Anderson, "as the diminishing of the old hammered money daily increased, so far that it is said shillings scarcely contained more than threepence in silver, the condition of the nation became very alarming; which gave the greatest joy to the disaffected at home, who hoped thereby for a total overthrow of King William's government. The French king also had great expectations from this calamity, so far as to have been heard to say, that King William would never be able to surmount the difficulty."† The wretched state to which

* 6 and 7 W. and M. c. 17.

† Chron. of Com. ii. 619.

the coinage had actually been reduced is most clearly set forth in an "Essay for the Amendment of the Silver Coin," which appeared in 1695, and the author of which evidently writes from official sources of information. He computes the entire silver money coined by Queen Elizabeth to have amounted to 4,632,932*l.*; that coined by James I. to 1,700,000*l.*; and that coined by Charles I. to 8,776,544*l.*; making, in all, 15,109,476*l.* By this time all Queen Elizabeth's crowns, half-crowns, groats, quarter-shillings, half-groats, three-halfpenny pieces, three-farthing pieces, and halfpence, were wholly gone; and also great numbers of her shillings and sixpences. The crowns, groats, twopenny pieces, pence, and halfpence of James I. and Charles I. had likewise all disappeared; with many of their half-crowns, shillings and sixpences. On the whole, this author calculates that there did not remain in circulation more than a third part of this old coinage, or not much above 5,000,000*l.* sterling. This, however, constituted by far the greater part of the existing silver currency; for the unmelted coins of Charles II., James II., and King William did not amount to more than about 563,000*l.* Thus the nominal value of the whole silver money of the kingdom, clipped and unclipped, hoarded and current, was about 5,600,000*l.* But of this about 4,000,000*l.* consisted of clipped money; while the remaining 1,600,000*l.* was either hoarded up, or current only in the remote counties. The most curious part of the statement, however, and that also which proceeds upon the surest grounds, is the calculation of the extent to which the clipping had been carried. There had, it seems, been brought into the Mint, in the three months of May, June, and July, 1695, 572 bags, each containing 100*l.* of silver coin, promiscuously collected, which, according to the standard, ought to have weighed 18,451 lbs. 6 oz. 16 dwts. 8 grs. troy; but the actual weight of the whole turned out to be only 9480 lbs. 11 oz. 5 dwts., or very little more than half what it ought to have been! The exact diminution amounted to about five shillings in every eleven. The whole four millions of clipped silver money, there-

fore, were really not worth much more than two millions sterling; and the loss consequent upon calling in the whole and re-coining it would not amount to much less than that sum. The prospect of this great outlay, however, notwithstanding considerable opposition on the part of some members, did not deter parliament from resolving upon the only course that could effectually remedy the evil. By a succession of acts passed in the course of the years 1696 and 1697, provision was made for gradually calling in all the old silver money, and replacing it by another currency of the full standard weight; and before the end of the latter year the entire operation was accomplished, and "our silver coins came forth from the Mint," to quote Anderson's expressions, "the finest and most beautiful of any in all Europe." The new money was coined partly at the Tower, partly at the country mints of Bristol, Exeter, Chester, Norwich, and York. According to an account which has been printed, of the receipts and issues of the Exchequer during the reign of William, the entire cost amounted to something under two millions and a half—a sum sufficiently near the estimate of the author of the essay from which we have taken the above view of the actual state of the silver currency before this re-coinage, to entitle us to place considerable confidence in the general accuracy of his facts and calculations.*

To the Chancellor of the Exchequer, Charles Mon-

* The amount referred to is printed in the Parliamentary History, vol. v. Appendix 19; and also in Sinclair's History of the Public Revenue (3rd edit.) vol. iii. Appendix, pp. 152—159. It is observed, however, by Leake, that the "provision by law to receive the clipped money was the greatest encouragement to promote clipping, and gave the clippers all the advantages they could desire, making the crime more general; for now they were sure of a market for their clipped money; so that what had been hoarded, and hitherto escaped the shears, now underwent the same fate; and it is not improbable that more was clipped and reclipped upon this general licence than had been before."—*Historical Account of English Money*, 2nd Edit. p. 392.

tague, afterwards Earl of Halifax, is ascribed the main credit of suggesting and carrying through this great reform, which was undoubtedly the mightiest financial operation that had yet been achieved or undertaken in England. In the mean time, however, it had, before its completion, very nearly brought down the infant establishment of the Bank, whose notes, together with the new Exchequer Bills, (also a contrivance of Montague's,) had chiefly supplied, while the re-coinage was proceeding, the vacuum occasioned by the abstraction of the old clipped silver money. But these notes, being payable on demand, were presented so much faster than the new coin could be supplied from the Mint, that the Bank, in the course of the year 1697, was obliged to resort to what amounted in fact to a suspension of payments—giving coin for its notes, first by instalments of ten per cent. once a fortnight, and afterwards only at the rate of three per cent. once in three months. The consequence was, that Bank paper fell to a discount of from fifteen to twenty per cent. In the preceding year the directors had made two successive calls of twenty per cent. each upon the proprietors; but such was the difficulty of procuring money, that we find them, in the Gazette of the 6th of May, 1697, urging the defaulters upon the last of these calls, which should have been attended to on the 10th of the preceding November, “and also those indebted to the Bank upon mortgages, pawns, notes, bills, or other securities, to pay in the said twenty per cent., and the principal and interest of those securities, by the 1st of June next.” But these difficulties were soon removed and the credit of the Bank completely restored by the effects of an act passed in the ensuing session of parliament, adding above a million sterling to the stock of the corporation, and extending the term of its exclusive privileges to the year 1711.* In 1708 its charter was farther continued to the year 1733; in 1712 to the year 1743; and in 1742 to the year 1765. Meanwhile also its capital, or the amount of the advances it had made to

* 8 and 9 Will. III. c. 20.

the public, had gone on increasing, till at the close of the present period it had risen to be nearly eleven millions. The establishment of the Bank of England was immediately followed by that of a similar institution in Scotland, also mainly through the exertions of the public-spirited and indefatigable Paterson. But, while the great corporation in Threadneedle-street remained the only privileged banking association in England, the Bank of Scotland was compelled within the present period to submit to the intrusion, first of one chartered rival, the Royal Bank, in 1727, and then of a second, the British Linen Company, in 1746.

Of the old incorporated trading associations, the only one the history of which offers much matter of interest during the present period, is the East India Company. This Company underwent a complete re-organisation in consequence of measures that were taken respecting it in the reign of William. We have seen that for some time previous to the Revolution the exclusive privilege of the Company had been extensively invaded by numbers of private traders. These interlopers, as they were styled, taking advantage of the natural invidiousness of a monopoly, seem to have at length succeeded in exciting a very general feeling of hostility to the Company; to which were imputed various delinquencies and acts of mismanagement most injurious to the national interests; so that in January, 1692, the House of Commons, carried along by the prevailing clamour, sent up an address to his majesty requesting him at once to dissolve a body that had so misconducted itself, and incorporate a new company. This was the commencement of a long series of proceedings, of which we can here notice little more than the results. On the question being submitted to the privy council, they proposed that a new company should be incorporated for twenty-one years, to consist of the members of the old company, and as many new subscribers as should make up a capital of from 1,500,000*l.* to 2,000,000*l.*, of which the existing company's capital should be considered as making 740,000*l.* But the Company maintained that, reckoning everything they pos-

sessed, and looking to the current price of their stock in the market, their capital could not be fairly estimated at a less sum than 1,500,000*l*. They also contended that their forts, towns, and territories in India were by their charters theirs for ever, whatever might become of their privilege of exclusive trading. No steps were taken to carry into effect the recommendations of the privy council ; nor did the enemies of the Company succeed in getting it broken up, even when the following year, by an unaccountable piece of neglect, it had legally incurred the forfeiture of its charter by the non-payment on the appointed day of a tax upon its capital imposed by a recent act of parliament. On the contrary, on the 7th of October, 1693, it obtained from the king a renewal of its charter, with a full restoration of all its former powers and privileges. Two years after, an investigation was made by parliament into this transaction, when it appeared that the Company had, in the year 1693, expended for special (but unspecified) services little less than 90,000*l*. ; of which, among other persons in power, the Duke of Leeds, the president of the council, was all but proved to have been a sharer to a large amount, while his majesty himself was strongly suspected to have benefited to a still larger. These disclosures, or exposures, did not tend to allay the public feeling against the Company ; which about the same time fell into further disfavour by being obliged to suspend for some years the payment of any dividends in consequence of a train of severe losses it had incurred. Indeed, the Company now scarcely derived any advantage at all from its charter, the validity of which was denied by parliament, and which even the government openly disregarded, granting licences to the private traders in the most unreserved manner. To this pass had matters been brought, when, in the beginning of the year 1698, the government, being in want of money, bethought itself of trying what could be made of the monopoly of the India trade, which was thus contested or in abeyance. The Company now offered to make an advance of 700,000*l*., at four per cent., on condition of obtaining a parliamentary confirmation of their charter ; but on this, at the instigation, as it is alleged, of the Chancellor of the Ex-

chequer, Montague, the private traders offered 2,000,000*l.* at eight per cent., for an incorporation conferring upon them the exclusive privilege of the trade; and their proposal was accepted. An act was accordingly passed in July of that year, empowering the king to incorporate the new company; and on the 5th of September following his majesty signed a charter investing the subscribers of the two millions, under the name of The English Company trading to the East Indies, with the exclusive possession of the commerce of that part of the world for ever, subject only to the right of the Old Company to continue their trade for three years longer. Meanwhile, however, the Old Company had, through its treasurer, subscribed no less than 315,000*l.* of the loan of two millions, and had thus become by far the largest shareholder in the new and rival association. Hence a confusion and conflict of claims and interests such as a legislative arrangement has seldom produced. There were now trading all at the same time, first, the Old Company, expressly authorised to go on as usual for three years longer, and even after the expiration of that term left in possession of all its forts and factories in India, and of whatever privileges it had acquired there from the native authorities; secondly, the New Company, without any Indian possessions whatever, and with the rival body, which aimed at its destruction, permanently, as it were, seated upon its shoulders, and invested with almost a controlling power over its operations; thirdly, a few of the subscribers to the late loan, who had declined joining the New Company, but who in terms of the original contract with the government were nevertheless entitled, so long as the two millions remained unrepaid, to trade each for himself; and fourthly, all such separate traders as had cleared out from England previous to the 1st of July, 1698, the right of all such to carry on the trade till they should think fit to return to England having also been provided for by a clause in the act which created the New Company. It is said that no fewer than sixty ships in all were now engaged in the trade, which seems to have been reduced to a state in which all the inconveniences of a free trade and of a mo-

nopoly were combined, without any of the advantages of either. The home manufactures were extensively injured by a glut of India goods, the prices obtained for which at the same time entirely failed to remunerate the importers. And still the bitterest hostility divided the two companies, whose quarrel, indeed, gradually became one in which the whole nation took part, the Tories siding with the Old Company, the Whigs with the New, after the manner in which the whirlpool of political faction is wont to draw all things to it. In the city of London in particular, ever since the passing of the act of 1698, which had called the New Company into existence, all the powerful interest of the other company had been strenuously and perseveringly exerted against the government; and Burnet acknowledges "that this act, together with the inclinations which those of the Whigs who were in good posts had expressed for keeping up a greater land force, did contribute to the blasting the reputation they had hitherto maintained of being good patriots, and was made use of over England by the Tories to disgrace both the king and them."* And the Tory majority in the new House of Commons which met in February, 1701, appears to have been the effect of the returning popular feeling in favour of the Old Company, and of the exertions of their partisans throughout the kingdom, more than of any other cause. The elections, indeed, had turned principally upon the contention between the two companies; but Burnet himself is constrained to admit that what systematic bribery of the electors took place was chiefly, if not exclusively, on the part of the New Company and his own friends and theirs, the Whigs. When the House met, he tells us, "reports were brought to them of elections that had been scandalously purchased by some who were concerned in the New East India Company. Instead of drinking and entertainments, by which elections were formerly managed, now a most scandalous practice was brought in of buying votes, with so little decency, that the electors engaged themselves by

* Own Time, ii. 209.

subscription to choose a blank person before they were trusted with the name of their candidate." But he adds, with considerable naïveté, "the Old East India Company had driven a course of corruption within doors with so little shame, that the New Company intended to follow their example ; but with this difference, that, whereas the former had bought the persons who were elected, they resolved to buy elections."* The general interest that was taken in the dispute between the two companies did not abate till towards the very close of William's reign ; but at length the parties principally concerned began themselves to perceive that the contest was only exhausting and ruining both ; and shortly after the accession of Anne an arrangement that had been for some time negotiating was completed under the sanction of the queen, by which their differences were composed in the mean time, and provision was made for their ultimate union into one body. The fixed property, or dead stock, as it was called, of the Old Company in India, being valued at 330,000*l.*, and that of the New Company at 70,000*l.*, a fair adjustment of their respective claims and liabilities in regard to that matter was made by the latter paying over to the former the sum of 130,000*l.*, so that each might be regarded as contributing 200,000*l.* to this part of the common stock ; and then the money capital of 2,000,000*l.* was in like manner divided equally between the two, by the Old Company purchasing at par as much stock from the New Company as made up their original subscription of 315,000*l.* to 1,000,000*l.*† These terms were embodied in a tripartite indenture, which was signed by her majesty and both Companies on the 2nd of July, 1702 ; and by which it was also stipulated that after the expiration of the term of seven years all separation of interests should cease, and the whole incorporated shareholders should

* Own Time, ii. 259.

† Strictly speaking, the amount of stock held by each company was only 288,500*l.*, the remaining 23,000*l.* being held by parties who, although they had subscribed to the 2,000,000*l.* loan to government, had preferred trading separately to joining the New Company.

form one body, to be called the United Company of Merchants of England trading to the East Indies. This final and complete union, accordingly, took place in the year 1708. After this the Company's charter was three times renewed, and its exclusive trading privileges continued to it, within the present period ; first, in 1712 till the year 1736 ; secondly, in 1730 till the year 1769 ; and lastly, in 1744 till the year 1783.

A few other branches of our colonial and foreign trade, during the reign of William, require only a slight notice. The plantations, as they were called, or settlements on the continent of America, went on steadily increasing in population and wealth ; and by the end of the century the trade with these rising dependencies and the adjacent West India islands is said to have given employment to no less than five hundred sail of ships. Of these doubtless a considerable number were engaged in bringing negroes from the opposite coast of Africa—a trade which had originally been in the exclusive possession of the African Company, but which now, after having been for a considerable time practically open, was in 1698 made so legally by an act of parliament permitting all the king's subjects, whether of England or of America, to trade to Africa on payment of a certain per centage to the Company on all goods exported or imported—negroes, however, being exempted even from this tax. The change thus made was “at that time,” remarks Anderson, “in every one's judgment much to the benefit of the nation, more especially with relation to the commerce to our sugar colonies ; for it was confessed by all that the separate traders had considerably reduced the price of negroes to our negro colonies, and consequently had so far the better enabled them to undersell our rivals.” In the Newfoundland fishery the French had for some time before the Revolution been encroaching more and more upon the exclusive rights claimed by the English ; the first specific complaint in King William's declaration of war against France in 1689 was, that, whereas not long since the French had been accustomed to take licences from the English governor of Newfoundland for fishing

in the seas upon that coast, and to pay tribute for such licences, as an acknowledgment of the sole right of the crown of England to that island, yet of late their encroachments upon his subjects' trade and fishery there had been more like the invasions of an enemy than becoming friends who had enjoyed the advantages of the said trade only by permission. The capture of Nova Scotia, however, at the commencement of the war, would probably make us again sole masters of the neighbouring island. An act passed in 1698, for the encouragement of the trade to Newfoundland, may be taken as evidence that it was then of considerable value. The preamble declares it to be "a beneficial trade to this kingdom, not only in the employing great numbers of seamen and ships, and exporting and consuming great quantities of provisions and manufactures of this realm, whereby many tradesmen and poor artificers are kept at work, but also in bringing into this nation, by returns of the effects of the said fishery from other countries, great quantities of wine, oil, plate, iron, wool, and sundry other useful commodities, to the increase of his majesty's revenue, and encouragement of trade and navigation." Then follow a number of regulations for the orderly carrying on of the fishery, of which the principal is, that, "according to the ancient custom there used," the master of the vessel from England first entering any harbour or creek in the island after the 25th of March should be admiral of the said harbour or creek during that fishing season, and should see the rules and orders laid down in the act duly put in execution within the limits of the jurisdiction thus assigned to him. It is expressly ordered that no subject of any foreign power "shall at any time hereafter take any bait, or use any sort of trade or fishing whatsoever," in Newfoundland, or in any of the adjacent islands. But this complete exclusion of other countries from the fishery was not long maintained. Measures were also taken a few years after the Revolution to revive the Greenland fishery. In 1692 a company was incorporated for carrying on this branch of trade, by the name of the Company of Merchants of London trading to

Greenland, with a capital of 40,000*l.*, and a charter conferring upon them the usual powers of succession, &c., and the exclusive possession of the trade for fourteen years. The preamble of the act gives a sort of history of the way in which the old English trade to Greenland had come to be "quite decayed and lost." It recites that several merchants and others had been by an act passed in 1673* "encouraged to fit out and send to the said Greenland seas some ships or vessels for the catching of whales, whereby some small quantities of oil, blubber, and whale-fins were imported into this kingdom; but, they not being able to carry on the said trade upon their single or separate interests, in regard that the neighbouring nations did yearly send far greater numbers of ships into those seas, the said merchants and other persons of this kingdom were forced to desist from following the said trade, which is now wholly engrossed by foreigners; and since the expiration and revival† of the said act there hath not been any ships sent from England to the said Greenland seas, or any oil, blubber, or whale-fins imported into England but such as have been bought of foreigners, whereby great sums of money are yearly drawn out of England for those commodities, and the rates and prices which are now paid for the same are now above six times more than heretofore they were; and, the said trade having been for above these twelve years last past wholly lost to this kingdom, there are very few or no English harpinierers or English seamen skilled and exercised in the said trade of whale-catching, so that the said trade cannot now be regained to this kingdom, nor can be carried on, by or‡ without the assistance of foreign harpinierers, or upon the single interests or stocks of any particular persons, or by any other way than by a joint-stock."§ The trade, however, thrived under this new system no better than before: after a year or two the Company subscribed an additional capital of 42,000*l.*, and in 1696 they

* 25 Car. II. c. 7, s. 1.

† in 1690 by 2 Will. and Mary, sess. 1, c. 4.

‡ Qy. "by us?"

§ 4 W. and M., c. 17.

got a new act exempting them from all duties upon the oil, &c., imported by them during the currency of their charter; but some years before that term expired they had expended their second capital also, on which they resolved to abandon the speculation. In these circumstances the trade was in 1702 thrown open by parliament, the act declaring that it had been wholly neglected by the Company and lost to the nation.* But no further attempt appears to have been made by any English adventurer in this field of enterprise for many years. In 1699 the trade with Russia, now becoming every day of greater importance in the new position to which that country was raised by the reforms of Peter the Great, was also practically thrown open by an act entitling any person to admission into the Russian Company on payment of an entrance fee of 5*l*. The Turkey Company appears to have been at this date in the possession of an active and prosperous commerce. The French Council of Commerce, in a memorial drawn up in the year 1701, admit that the English then carried on the Levant trade (which was in the hands of this company) with much more advantage than the French, chiefly in consequence of our woollen cloths being both superior in quality and lower in price. "The English," adds the Memorial, "also carry to the Levant lead, pewter, copperas, and logwood, which are goods they are masters of; together with a great deal of pepper; and, that they may not drain their country of its gold and silver, they also take in dry fish of their own catching, sugar of their own colonies, and other goods of their own produce, which they sell on the coasts of Portugal, Spain, and Italy, for pieces of eight, which they carry to the Levant to make up a stock sufficient for purchasing their homeward cargoes."†

The French Council of Commerce was established by Louis XIV. in the year 1700. From its erection Anderson, writing about the middle of the last century, when it still subsisted, thinks there is good reason to date "the

* 1 Anne, c. 12.

† Quoted by Anderson in Chron. of Com. iii. 7.

great and almost surprising increase of the commerce, woollen manufacture, mercantile shipping, and foreign colonies of France.* We have noticed in the last Chapter, the English Council or Board of the same kind established by Charles II. in 1668, which, however, was kept up only for about five or six years. From the time when it was allowed to drop matters relating to commerce and the colonies had been usually referred to committees of the privy council specially appointed to consider each new subject as it arose ; but in 1696 King William issued a commission appointing a permanent Board of Trade, to consist (in addition to the great officers of state, whose attendance was expected to be only occasional) of a first lord and seven other commissioners, each having a salary of 1000*l*. Among the first commissioners were the celebrated John Locke, and Pollexfen, the writer on commerce. They were styled “ Commissioners for promoting the Trade of this Kingdom, and for inspecting and improving the Plantations in America and elsewhere ;” and their instructions more particularly directed them to examine into and take accounts of the general trade of England, and of our foreign commerce in all its departments—“ to consider by what means profitable manufactures, already settled, may be further improved, and how other new and profitable manufactures may be introduced”—“ to consider of proper methods for setting on work and employing the poor, and making them useful to the public”—and, in regard to the plantations, or colonies, to superintend not only their commerce but their government in all respects.† From this last class of duties the Board of Trade must have been relieved, we presume, on the institution of the office of Secretary of State for the Colonies, or the American department, in 1768 ; but its other functions were understood to remain nearly the same as at its first establishment down to its abolition in

* Chron. of Com. ii. 646.

† See abstract of the original Commission in Macpherson's *Annals of Commerce*, ii. 680.

1782, when the business of this department of the executive government was made over to a permanent committee of the privy council, according to the arrangement that still subsists.

The Revolution was immediately followed by an innovation, which demands our special notice, in the law regulating the foreign trade in the most important of all productions, the article of corn. As far as the subject can be historically traced, the first law permitting the exportation of corn from England, without the royal licence, was passed in 1394 (17 Rich. II. c. 7). By this law exportation, which appears to have been hitherto strictly prohibited, was made free in all circumstances, that is to say, whatever might be the price at home. The only check reserved was, that, as the king had formerly the power of allowing exportation in particular cases, so now he might forbid it when to do so appeared to him to be for the profit of the realm. The matter, therefore, in fact remained still, as before, under the control of the crown—with this difference, that, whereas non-exportation had been the general rule formerly, liberty of exportation was established as the general rule now. The alteration of the law may be taken as indicating the increased political power of the agricultural interest, and probably also the increased cultivation and produce of the soil. And these same two causes we find operating, with almost uninterrupted constancy, in moulding our corn laws more and more into the form most accordant with the interests of the producer down to the date at which we are now arrived. In 1436 (by 15 Hen. VI. c. 2), the right of exportation, in the case of the home price being under a certain point, was given absolutely, without any restriction or reservation whatever; the old power of prohibition was wholly taken from the king so long as prices remained below the sum specified; it was merely provided that he should have his customs and duties, as usual, upon the exported commodity. And, of course, by the unrevoked act of 1394, exportation, whatever might be the state of prices at home, was still also free, unless when expressly

forbidden by royal proclamation. The limit fixed by the act of 1436, as that within which the right of exportation remained independent of the crown, was so long as the home price (of the quarter of wheat) did not exceed 6s. 8d. In 1463 (by 3 Ed. IV. c. 2) a new advantage was given to the producers, by importation being for the first time forbidden whenever prices should be under that point. In this state the law remained for seventy-one years. But then in 1534 an act was passed (the 25th Hen. VIII. c. 2) which (in so far at least as regarded the exportation of corn) swept away all the legislation of the preceding hundred and forty years, and suddenly restored for a time the old original state of the law, by which exportation was prohibited in all circumstances except under the royal licence. The importation of the article, indeed, still remained fettered by the act of 1463; but probably that act was now nearly inoperative from the rise of prices that had taken place since it passed;—a change that would, to be sure, make the act of 1436 also a dead letter; so that what was really done by Henry VIII.'s act of 1534 was principally to repeal Richard II.'s act of 1394, which first made free exportation the rule and non-exportation the exception, time itself having done the rest. However, the law, as we have said, was now (except as to the partial and probably inapplicable and harmless restriction on importation) brought back in all respects to the state in which it was before the course of legislation in favour of the agricultural interest began. But this lasted for twenty years only. In 1554 (by the 1 and 2 Phil. and Mary, c. 5) the law of 1463 was revived, and exportation again made free when the price was under 6s. 8d. It is expressly stated in the preamble to this new act that the general prohibition of exportation by the act of 1534 had been extensively evaded or completely disregarded: "yet notwithstanding," are the words of the preamble, "many and sundry covetous and insatiable persons, seeking their own lucre and gains, had and daily do carry and convey innumerable quantity as well of corn, cheese, butter, and other victual [the prohibition

had extended to all other articles of food as well as grain], as of wood, out of this realm into the parts beyond the seas ; by reason whereof the said corn, victual, and wood are grown into a wonderful dearth and extreme prices." So that we see even this short solitary suspension of the onward movement of the land-cultivating, or rather of the land-owning, interest was rather nominal than real. But at any rate the subsequent advance of the landed interest in this course of acquisition was both steady and open enough. In 1562 (by the 17th, or, in the common editions, the 26th section of the 5 Eliz. c. 5, curiously entitled "An Act touching certain politic constitutions made for the maintenance of the Navy") the limit within which there should be a free exportation of wheat was enlarged by the elevation of the terminating price to 10s. the quarter ; a corresponding alteration being at the same time made for other descriptions of grain. In 1571 (by the 13 Eliz. c. 13) the law of 1394 was restored, and exportation was made free, whatever might be the home price, at all times when no proclamation had been issued to the contrary. Then by a succession of acts the limits within which the right of exportation was made absolute, and independent even of the control of the royal prerogative, were gradually extended, by the elevation of the terminating price in 1623 (by the 21 Jac. I. c. 28) to 32s. ; in 1660 (by the 12 Car. II. c. 4) to 40s. ; and in 1663 (by the 15 Car. II. c. 7) to 48s. Up to this point, however, although the landed interest had been successful in breaking down to a considerable extent the ancient policy of the kingdom, which was prohibitory of exportation in all circumstances, it cannot be said (if we except the law of 1463 forbidding importation while the home price was under 6s. 8d., which had now long ceased to be operative, if it ever had been so) that any unfair advantage had been given to the growers of corn ; all that had been done in their favour had only tended to make the trade in corn more and more free, by removing part of the restrictions that had been laid upon the export of the commodity. But soon after this a new system was begun.

In 1670 (by the 22 Car. II. c. 13) not only was the home price up to which exportation should be free raised to 53s. 4d., but for the first time (for we may disregard altogether the obsolete act of 1463) importation was restrained, by being loaded with a prohibitory amount of duty so long as the price in the home-market was under 53s. 4d., and even with a very heavy duty, 8s. per quarter, when the home price reached that point and until it rose to 80s. This was the law in force at the time of the Revolution. Corn could not be brought from abroad at all till the price at home rose to 53s. 4d., and even not then without the payment of a tax which made it necessary that the cost of purchase and charge of conveyance should not together have amounted to so much as 45s. 4d. ; and at the same time its exportation was perfectly free (except that it paid a moderate custom duty, like all other commodities) until it rose at home to a price which it might be safely presumed would make the sending it abroad no longer profitable. This, we might suppose, would have been deemed protection for agriculture enough. But not so ; immediately after the Revolution an act was passed (the 1 Will. and Mary, c. 12) which introduced the new principle of actually paying the landlords for sending their produce out of the country, by allowing a bounty of 5s. upon every quarter of wheat exported so long as the home price did not exceed 48s. Nor was even this all that was done to promote exportation ; in 1699 (by the 11 Will. III. c. 20), “ for the greater encouragement of tillage,” corn sent abroad was relieved even from all custom-house duties. It was time, indeed, to cease levying duties with the one hand upon that which we were paying bounties to encourage on the other.

Under the system of bounties, which was maintained throughout the present period and long after its close (for it was not till the year 1773 that the law of 1689 was partially, and not till 1815 that it was wholly, repealed), England became a corn-exporting country to some, though never to any very considerable, extent. In 1697, for instance, 14,699 quarters of wheat and flour were sent abroad ; in 1699 the quantity fell to 557 ; but in 1700 it

was 49,056; and in the ten following years, while it rose in 1706 to 188,332, it never was under 74,000, till 1710, when it fell to 13,924. In the ten years from 1711 to 1720 it ranged from 71,800 quarters to 176,227, except in 1717, when it was only 22,954. In 1722 it was 178,880; in 1723, 157,720; in 1724, 245,865; and in 1725, 204,413. But in 1727 it had fallen to 30,315; and in 1728 to 3,817; nor in 1729 was it more than 18,993. After this, with the exception of a few unproductive years (1740, 1741, 1757, and 1758), in which it was very insignificant, it was seldom less than from 200,000 to 400,000, and sometimes it was considerably more: thus, in 1733 it was 427,199; in 1734, 498,196; in 1737, 461,602; in 1738, 580,596; in 1748, 543,387; in 1749, 629,049; in 1750, 947,602 (which was the highest amount it ever reached); and in 1751, 661,416. It has often been contended, and formerly it was an opinion almost universally held, that, by the extension of tillage which it occasioned, the system of bounties upon the exportation of corn in fact operated to keep down the price of the commodity in the home-market. "In other states," observes the Count de Boulainvilliers, "private persons pay the government for the exportation of grain; England acts quite otherwise, and pays them. All common means made use of to that time to increase the fruits of the earth had been insufficient, or at least of little use. Before that epoch the agriculture of England was of little account in Europe. As long as that monarchy thought only of its own subsistence, it always found itself short of the necessary; it was very often obliged to have recourse to foreigners to make up the deficiency of the growth of the nation; but, when it made its agriculture an object of commerce, the cultivation of its land became one of the most abundant in Europe. Without that stroke of state, the best concerted of all those which have yet appeared in modern politics, England had never sown but for herself; for what could she have done with the surplus of her grain? It was the bounty only which could assure her of the sale in foreign markets, and, for that reason, be the only source of the

augmentation of her harvests. Let us combine all the means which that monarchy hath put in use, for an age past, to establish its power, and we shall find that it is to this in particular that she is indebted for her elevation."* In later times this reasoning has generally been considered to be as mistaken as it is paradoxical, and the effects which it attributes to the bounty system have been traced to quite other causes; but it is at least certain that, howsoever caused, a reduction rather than a rise of the price of corn did follow this artificial encouragement given to its exportation. Grain was in general, according to Charles Smith, from fifteen to twenty per cent. cheaper during the seventy years that followed the enactment of the law of 1689 than it had been for forty years before that time.† For some years after the Restoration the average price of wheat exceeded 50s. the quarter; nor was it under 41s. at the date of the Revolution: for the ten years ending with 1695 it appears to have been about 39s. 6d.; for the ten ending 1705, about 43s.; for the ten ending 1715, about 44s.; for the twenty ending 1735, about 35s.; for the ten ending 1745, about 32s.; and for the ten ending 1755, about 33s.

According to an account given by Davenant, the official value of our entire exports for the year 1699 was 6,788,166*l.*; of which sum the woollen manufacture alone furnished not less than 2,932,292*l.*, or considerably nearer one-half than one-third.‡ Elsewhere the same writer estimates our total exports to France in that year at 103,961*l.*; in 1700 at 287,049*l.*; and in 1701 at 213,004*l.*: the values of the imports from that country being 76,272*l.* for 1699; 94,641*l.* for 1700; and 123,940*l.* for 1701.§ The only articles he particularizes are, among the exports, woollen goods and lead; among the imports,

* *Les Intérêts de la France mal entendus*; 2 tom. 12mo. Amst. 1757; quoted in Mr. C. Smith's *Tracts on the Corn Laws*, p. 162.

† *Tracts on the Corn Laws*, p. 73 (second edition).

‡ Second Report to Commissioners of Public Accounts, Works, v. 460.

§ First Report, Works, v. 356.

linen, paper, wine, brandy, and kid-skins. On the whole it appears that the trade with France was considerably less now than it had been in the time of free intercourse which immediately succeeded the Restoration. The trade with Holland, on the other hand, had greatly increased. Up to the year 1669, according to Davenant, our exports to that country consisted of only 45 species of rated goods, whereas by the beginning of the reign of Anne we exported thither 120 or 130 different kinds. Formerly our principal exports to Holland were woollen goods, tin, lead, brass, molasses, wrought silk, butter, and morkins (hides); our principal importations thence, linens, wrought silk, thrown silk, threads, inkles, spicery, madder, battery, stock-fish, whale-fins, hemp, flax, unwrought copper, Rhenish wine, safflower, and iron ware. Of our woollens exported to Holland, the value in 1669 was 79,953*l.*; in 1703, 1,339,526*l.*: of our lead, 297*l.* in 1669; 38,283*l.* in 1703: of our tin, 1,635*l.* in 1669; 17,051*l.* in 1703. Altogether the value of our exports of the eight principal articles was 153,799*l.* in the former year, and 1,404,920*l.* in the latter. Of molasses, however, of which we exported thither to the value of 57,510*l.* in 1669, there appears to have been no exportation at all to Holland in 1703. On the other hand, many foreign, colonial, and East India goods entered into our exports in the latter year, which either formed no part of them, or a much smaller part, in the former. Of sugar and foreign fruits, we re-exported to Holland in 1703 to the value of 114,416*l.*; of pepper, drugs, and dyeing substances to the value of 63,865*l.*; of tobacco to that of 143,596*l.*; of foreign wool to that of 7,800*l.*; and of cotton yarn to that of 1,783*l.* The East India goods re-exported to Holland this year amounted in value to 345,647*l.* We also now sent a considerable quantity of corn to the Dutch, a commodity of which in 1669 none was exported. Davenant says that in the year 1703 there was entered for exportation in all sorts of grain to the value of 12,202*l.* from London, and of 168,067*l.* from the outports; making altogether 180,269*l.*: but this appears to have been to all foreign parts. The im-

ports, however, from Holland in these two years do not exhibit so great a difference: their total amount in 1669* was 501,674*l.*; and in 1703, 522,413*l.* The principal articles of which there appears to have been an increase of importation are linen (from 170,972*l.* to 213,701*l.*), thrown silk (from 2,878*l.* to 15,966*l.*), and threads (from 11,694*l.* to 51,138*l.*): on the other hand there was a falling off in wrought silk, spicery, Rhenish wine, and several other articles. In the seven years from 1699 to 1705 inclusive, the average value of our exports to Holland is stated to have been 1,937,934*l.*, and that of our imports from that country, 549,832*l.* The latter, Davenant remarks, had “continued for several years in a manner at a stand, seldom exceeding half a million per annum.” If we add the outports, which the account does not include, that sum might be increased by about a fourth. Our exports to Holland, on the other hand, had been constantly augmenting, their excess over the imports having, in some of the seven years, been not less than 1,500,000*l.* But, whether or no this seeming overbalance in trade with the Dutch had been all to the profit of this kingdom, Davenant, with a degree of good sense and sagacity superior to his time, is inclined to doubt. “If,” he continues, “according to the vulgar notion, this large overbalance had been all clear gain to England, it would have been some kind of recompense for the interruptions so long a war has brought to other branches of our foreign traffic; but nothing can be more fallacious than, because a country takes off more of our commodities than we do of theirs, to argue from thence that our dealings with that country are always beneficial to us. . . . If, for the last twenty-three years, the Dutch had so far augmented their luxuries as to want for their own consumption that vast bulk of commodities they have so constantly fetched from this kingdom, and if we had been all along so reformed in our manners as to stand in little need of foreign goods, Holland must have been great losers, and we great gainers, by the

* Davenant. First Report, p. 413, where it is printed 1699; a misprint that also occurs in other places.

dealings that have been between us. If they had not found their accounts in the prodigious quantity of effects annually exported thither from hence, and if so wise a state had perceived itself to carry on a losing trade, they would have put a stop to this mischief, either by prohibitions of, or high duties upon, our product and manufacture, for which they had a sufficient pretence from the additional impositions we have been compelled to lay upon their linens and other goods; but they have been too prudent to be frightened with the false appearance of an overbalance, well knowing, the more they brought from hence, the better opportunities they had to enlarge their general traffics." He then proceeds, by an examination of details, to show that the greater part of the commodities taken from us by the Dutch were in reality re-exported by them to other countries. In the course of this investigation he notices various facts which throw a light upon the then state both of our own commerce and of that of the world. The total value of our exports of woollen manufactures to Holland, which in 1703, as we have seen, was 1,339,526*l.*, was in 1663 only 79,953*l.* Of three articles alone, perpetuanas, serges, and stuffs, we sent the Dutch in 1703 to the value of 798,527*l.*, or ten times the amount of our whole exportation of woollens to them forty years before. That people cannot possibly, argues Davenant, have within the period in question so increased in numbers, wealth, and luxury, as to want for their own consumption so great a quantity of these articles over and above what they were wont to call for. "The fact is," he continues, "that they purchase those immense cargoes to re-export to other countries, and so they are become, in a more extended degree than heretofore, the carriers of our commodities to foreign markets; that is to say, they supply those parts which we, for want of industry, have not embraced, or where our traffic has been interrupted by the war. It is easy to prove that for the last twenty years* great parcels of our fine draperies, and other woollen manufactures, went into France through Flanders by the connivance of governors,

* He is writing in 1712.

and by compositions with the French farmers,* to the value (as I am well informed, when in Holland about six years since) of near 300,000*l.* per annum. Since the trade with the Spaniards has been interrupted, they must have carried of the same goods great quantities to Portugal; otherwise, how could they dispose of all the baize sent from hence to Holland, which article of baize, from 1699 to 1704, amounts to, at a medium of the said five years, 92,526*l.* per annum—a larger proportion than they can possibly be conceived to consume themselves; and from Portugal it must have found its way to Spain and the West Indies. The same may be said of perpetuanas, serges, says, and other stuffs; as also of stockings, woollen and worsted, for men, women, and children. During both the wars, not only the fine draperies, but manufactures from the long wool, got into France from the frontier places, which turned to the profit of Holland; and of late years, since they have so much enlarged their traffics, and accumulated such a stock of wealth to support their trade, they have carried up the rivers into Germany great parcels of fine cloths, stuffs, says, and serges, which our merchants were wont formerly to export to Hamburgh and other parts of the German empire upon their own accounts.” So likewise with regard to the tin taken from us by the Dutch. Our export of tin to all foreign countries amounted in 1663 to 153 tons; in 1669 to 240; in the three years of peace, from 1698 to 1700, on an average, to 1297; and in the ten years of war, from 1700 to 1710, on an average, to 1094. In these last ten years the Dutch alone bought from us annually, on an average, 5937 cwt., or nearly 300 tons, of the estimated value of 21,374*l.* “It is not difficult,” says Davenant, “to account for the reasons why our late exportations of tin so far exceed those of former times. All our neighbours, as well as ourselves, have increased in the luxurious ways of living; such who heretofore were content with pewter are now served in plate, and such as made use of trenchers, wooden platters, and earthenware will now have pewter; all which is visible

* Of customs.

within forty years, and has occasioned this great call of a commodity almost peculiar to us." The quantity of tin raised from the mines, however, was still greater than the demands of the home-market and of foreign countries together took off our hands: at the time when Davenant wrote, her majesty, for whose behoof the mines were wrought, had unsold between 4000 and 5000 tons, or as much as would supply the consumption of the next four or five years. "As the case stands at present," he adds, "Holland is the great magazine for tin; the necessities of such as have it upon their hands, either in merchandize or security, drive it thither, and the Dutch set what price they please upon this rich product of England, to the damage of the public." He proposes that a thousand tons of the dead stock should be coined into tin halfpence and farthings. The annual quantity of tin that was raised in England, however, went on increasing from this time instead of being diminished:—the quantity which had accumulated in Davenant's time is only about a year's produce of the mines at present. He next proceeds to our exports of corn. This, he observes, "is, in a manner, a new exportation, arising to us from the war, which has in other countries so employed the hands of their people that they could not till the ground, or from dearths or plagues, wherewith divers nations have been afflicted for these last twenty-three years." Formerly, only a very small quantity of grain was sent from the port of London to Holland, Spain, Denmark, Africa, the Plantations, Italy, and Portugal: in 1663 the entire estimated value of the corn so exported was only 431*l.*, and in 1699 not more than 201*l.* "Whereas now," continues our author, "we export grain of all sorts to Africa, Canaries, Denmark and Norway, East Country, Flanders, France, Germany, Holland, Ireland, Italy, Madeiras, Newfoundland, Portugal, Russia, Scotland, Spain, Sweden, Venice, Isles of Guernsey, &c., and English Plantations." In the eleven years from 1700 to 1710, inclusive, the average total export of grain from England was of the estimated value of 274,171*l.*; of which the value of that entered for exportation to Hol-

land alone averaged 151,934*l*. “What part of this commodity,” says Davenant, “is for their own consumption, and what part they re-export to other countries, does not appear to me ; but so far is certain—when corn bears a high price in foreign markets they send large cargoes of it to the places where it finds a good vent ; *and it has been known that in years of scarcity they bring us back our own wheat, because of the premium we give upon exportation*, and which they are enabled to do by having large granaries almost in every great town, wherein they store large quantities in cheap years, to answer the demands of other countries.” Of tobacco, our average annual importation from Virginia, for the ten years from 1700 to 1709 inclusive, had been 28,858,666 lbs. ; and we had annually re-exported to foreign countries 17,598,007 lbs., of which quantity Holland alone took from us 7,851,157 lbs., or not much less than the half. “This product of our plantations,” Davenant observes, “carried to Holland, brings considerable profit to that country ; besides that the manufacturing of it, when there, employs a great number of their people. What proportion of it they consume themselves cannot well be stated ; but so far is known, that they mix it with the tobacco of their own growth, viz., for France, one-third inland and two-thirds Virginia ; making it finer or coarser, and adding to or diminishing the quantity of Virginia, and making some up only with our tobacco-stalks mixed with their own leaves, according to the use of the country whereunto they export it.” According to an account which he had seen, and which he believed to be authentic, the Dutch had come by the year 1706 to grow at home, in their three provinces of Utrecht, Guelderland, Overysse, and part of the duchy of Cleves, 13,000,000 lbs. of tobacco, although seven years before they did not raise more than 8,000,000 lbs. It appears from this account that, in the beginning of the last century, the consumption of tobacco in England exceeded 11,000,000 lbs. ; at present, with probably thrice the population, it is only about 16,000,000 lbs. Nor is our entire annual importation of tobacco much

more than it was then : in 1831, for instance, it was only about 33,000,000 lbs. The last class of our exports to Holland which Davenant examines is that of our East India goods. He begins by observing, that Amsterdam and Rotterdam were then in a manner the magazines for the wrought silk, Bengal stuffs mixed with silk or herba of the manufacture of Persia, China, or East India, and for all calicoes painted, dyed, printed, or stained in those parts ; which commodities, since their use had been prohibited here,* were chiefly sent to Holland, that country taking off, on the average of the four years from 1702 to 1705 inclusive, above 94,916*l.* worth of them annually. He apprehends that the Dutch in this way drew into their pockets the greater part of the profits of our East India trade ; and that such would continue to be the case so long as our own merchants were, by the law preventing the home consumption of the commodities in question, confined to that one foreign market. As for the supposed interference of these India fabries with our woollen manufactures abroad, he does not think there is much or anything in that objection. “ For these last thirty years,” he observes, “ in which the East India trade has been carried on to the highest pitch, we are not decreased in the manufactures from long wool, but rather the contrary, and to a large degree. . . . Nor does it appear to me, from any observation I can make, that East India goods have hurt the general traffic of our woollen manufactures in foreign markets ; these silks and stuffs seem rather a commodity calculated for the middle rank of people ; they are too vulgar to be worn by the best sort, and too costly for the lowest rank ; so that the use of them remains in the middle rank, who (the luxuries of the world still increasing) would wear European silks if they had not East India stuffs and painted calicoes, whereby the vent of our woollen goods abroad would

* These East India goods were prohibited in England, and only allowed to be imported for re-exportation, in 1699, by the 11 Will. III. c. 10, entitled “ An Act for the more effectual employing the poor, by encouraging the manufactures of this kingdom.”

certainly be lessened." "On the whole," Davenant concludes, "the truth of the case appears to be, that, especially during this last war (while our trade with France and Spain has been interrupted), large quantities of the woollen manufactures, corn, tin, tobacco, with divers other commodities, have been sent to Holland, which goods in the former course of trade we exported directly ourselves, and mostly in our own shipping, to the increase of our navigation, which the war having rendered difficult, and their ports being less exposed than ours to the danger of privateers, as well in ships outward as homeward bound, the Hollanders have in a great measure got to be the carriers of our goods; but, as our exports thither have increased all along, so our exports to other parts must, in proportion, have diminished, and what we seem to have gained in our dealings there we have lost in the general balance of our trade with other countries." Taking the year 1703, it appears that the value of our exports to all foreign parts was 6,644,103*l.*, while that of our exports to Holland alone was 2,417,890*l.*, or more than a third of the whole. Of the 2,417,890*l.* there was exported in English bottoms 1,502,169*l.*, and in foreign bottoms 915,720*l.* Of the imports from Holland for that year, to the value of 289,844*l.* was brought in English, and 232,568*l.* in foreign vessels. And these same proportions Davenant believes would nearly hold for other years. We may hence perceive the extent to which the carrying trade, both in goods for the English market and in English produce and manufactures, was at this time in the hands of foreigners, and principally of the Dutch.

As for the prevalent notion which Davenant takes so much pains to combat, that this trade with Holland must needs be a profitable one, simply because our exports so much exceeded our imports, it was as irrational as it would be to maintain that the productive labourer must always be a greater gainer upon the article he produces than the capitalist who employs him. The Dutch here stood in the position of the capitalist, and the English of the labourer. The former, in fact, employed the latter

to work for them—to produce the goods which they sold at a profit to other countries. Of course, in such a connexion, while the Dutch had the goods the English had the money—just as while the master has his goods the workman has his wages ; and thus, and thus alone, was brought about, in the exchange between the two countries, that excess in our receipt of money or bullion constituting the so called favourable balance of the mercantile and manufacturing theories. But that the excess of profit or real advantage should be with the labourer rather than with the capitalist may fairly be presumed to be as unusual, and as little likely in the nature of things, in the case of nations as of individuals.

Davenant incidentally mentions in the Report from which we have abstracted these notices, that, on an average of the seven years from 1699 to 1705 inclusive, our exports to Germany had amounted to the estimated value of 838,591*l.*, and our imports thence to that of 677,721*l.** This, he observes, “is no considerable excess from so large and populous a country, especially when it is considered what quantities of German linens have been imported hither since the first war with France, which German linens must have been answered by an adequate quantity of our woollen manufactures, if the Dutch did not intercept us in the traffic by our own commodities.” Such as it was, however, this excess of exports over imports made our trade with Germany be considered a profitable one, as well as that with Holland. In our dealings with the countries in the north of Europe, on the contrary, as in those with France, we were losers according to this way of calculating, if we may trust an account from which it appears that in the trade with Denmark and Norway, on the average of the four years from 1698 to 1701 inclusive, our annual imports amounted to 76,215*l.*, and our exports only to 39,543*l.* ; in that with the East country our imports to 181,296*l.*, and our exports only to 149,893*l.* ; in that with Russia, our imports to 112,252*l.*, and our exports

* Second Report, p. 420.

only to 58,884*l.* ; and in that with Sweden, our imports to 212,094*l.*, and our exports only to 57,555*l.** These figures may at any rate be taken as showing the extent of our commercial intercourse at this time with the countries in question.

Down to this, and indeed to a much later date, our chief article of produce and export continued, as of old, to be our woollens. This important manufacture was the subject of various legislative regulations in the reign of William. Immediately after the Revolution an act was passed, renewing and strengthening the former laws against the exportation of the raw material, which, the preamble alleges, had of late years been extensively violated, "through the remissness and negligence of officers and others."† In 1698, however, we find the parliament again complaining that, nevertheless, the sending of the commodity abroad was still "notoriously continued, to the great prejudice and discouragement of the woollen trade and manufacture of England."‡ The next year the jealousy with which this great staple was watched over was strikingly evinced by the passing of an act which, after declaring that "the wool and the woollen manufactures of cloth, serge, baise, kerseys, and other stuffs made or mixed with wool, are the greatest and most profitable commodities of this kingdom, on which the value of lands and the trade of the nation do chiefly depend," proceeds to state, that "great quantities of the like manufactures have of late been made and are daily increasing in the kingdom of Ireland and in the English plantations in America, and are exported from thence to foreign markets heretofore supplied from England, which will inevitably sink the value of lands, and tend to the ruin of the trade and the woollen manufactures of this realm ;" and thereupon strictly prohibits the exports in future both of wool and of woollen goods to any part of the world except to England, from either

* Quoted by Anderson, *Chron. of Com.* iii. 11, from the monthly periodical called the *Political State of Great Britain*, for November, 1721.

† 1 W. and M. c. 32.

‡ 9 Will. III. c. 40.

Ireland or the plantations.* Finally, in the following session, by the same act which put an end to all duties on the exportation of corn, all subsisting duties upon the exportation of home woollen manufactures were also taken off, on the ground that “the wealth and prosperity of this kingdom doth in a great measure depend upon the improvement of its woollen manufactures, and the profitable trade carried on by the exportation of the same.”† The system of artificial protection, however, was not in this case carried to the length of actually stimulating the exportation of either wool or woollens by bounties, as had been done with regard to corn.

In 1697 Davenant estimated the value of the wool yearly shorn in England at about 2,000,000*l*.‡ At a general medium he conceives the material to be probably improved about fourfold in the working; so that the entire annual value of our woollen manufactures at this time might be set down at about 8,000,000*l*. Of all the cloth made he allows a fourth for exportation; there would, therefore, remain for home consumption about 6,000,000*l*. worth. These inferences, however, are probably considerable exaggerations. More reliance may perhaps be placed upon an account which he says he had procured “from a very skilful hand,” and from which it would appear that the quantity of fine cloth manufactured in England from Spanish wool in the year 1688 was about 19,000 pieces, of which about 9000 were exported (8420 from the port of London, 614 from the outports), and 10,000 reserved for home consumption.§ “Some

* 10 Will. III. c. 16 (c. 10 in common editions).

† 11 Will. III. c. 20.

‡ Discourse on the East India Trade, Works, ii. 146. His calculation is, that there were annually shorn about twelve millions of fleeces, of the average value of 3*s*. 4*d*. per fleece, somewhat above eight fleeces making a tod of wool, the average price of which was 2*s*., or 1*s*. a pound. Gregory King, in his Political Conclusions (1696), estimates the value of the wool yearly shorn at the same sum with Davenant.

§ Works, ii. 149.

people," this writer elsewhere observes, " have been apt to fear that we sink in the woollen manufacture, because the accounts of the draperies exported have been heretofore larger than of late years ; but such do not contemplate that, though the old may have lessened, what are commonly called the new draperies have increased, consisting in bays, serges, and stuffs ; so that, upon the whole, infinitely more of the material of wool has of late years been wrought up for foreign use than in former times ; and herein our merchants have been only forced to follow the modes and humour of those people with whom they deal, and the course they have pursued has hitherto not been detrimental to the public. Nor is there any cause to apprehend but that we may increase from time to time in the general manufacture of wool, though the exportation of particular commodities may now and then vary ; for, upon the whole, our material is better and fitter for all uses than that of most countries. It were better, indeed, that the call from abroad were only for the fine draperies, because then we should be in a manner without a rival ; no country but England and Ireland having a sward or turf that will rear sheep producing the wool of which most of our draperies are made. It is true the wool of Spain is fine above all others ; but it is the wear only of the richer sort, and of Spanish cloths not above 9000 pieces are sent abroad *communibus annis* ; and even in the working up of this wool perhaps it may be made out that our very climate gives us an advantage over other countries."* This was written in 1699. The act allowing woollen goods to be exported duty free came into operation the following year, and apparently produced a considerable increase of exportation ; the duty received in the three years before the repeal having amounted to 129,640*l.*, and that which would have been payable upon the quantities of woollen manufactures entered for exportation in the three following years to 150,829*l.*,—a difference which, as the duty was an *ad valorem* one of five per cent., implied an increase

* Essay upon the Probable Methods of making a people gainers in the Balance of Trade ; in Works, ii. 235.

of exports upon the three years to the value of 425,040*l.*, or of about 142,000*l.* per annum. But Davenant maintains that, "to carry on some mystery of trade," the merchants, now that it cost them nothing, were accustomed to enter larger quantities than they really exported, especially of the perpetuanas, serges, and other coarser descriptions of cloth. By the books of the Custom House, he says, the exportation of woollens would appear to be growing every year larger and larger, while at the same time there was a general complaint all over England of wool being a drug.*

The amount of the trade of England, in so far as it gave employment to our own shipping, whether for intercourse with foreign parts or for coasting purposes, and also its distribution over the country, at the end of the reign of King William, may be collected from an account of the mercantile marine of the kingdom as it existed in January, 1702, which has been drawn up from returns then made to inquiries instituted by the Commissioners of the Customs. From this account it appears that there belonged to the port of London 560 vessels, of the average burden of about 151 tons, and 10,065 men; to Bristol 165 vessels, of 105 tons on an average, and 2,359 men; to Yarmouth 143 vessels, of 62 tons on an average, and 668 men; to Exeter 121 vessels, of the burden of 58 or 59 tons on an average, and 978 men; to Hull 115 vessels, of nearly 66 tons on an average, and 187 men (80 of the Hull vessels were at this time laid up); to Whitby 110 vessels, of 75 tons on an average, and 571 men; to Liverpool 102 vessels, of between 84 and 85 tons on an average, and 1,101 men; and to Scarborough 100 vessels, of nearly 69 tons on an average, and 606 men. None of the other ports had so many as a hundred vessels; but Newcastle had 63, measuring in all 11,000 tons, or above 173 tons on an average, and Ipswich 39, measuring 11,170 tons in all, or above 286 tons on an average. The number of vessels belonging to all the ports in England was 3281, measuring 261,222 tons, or nearly 80 tons on an average; and the total number of seamen

* Second Report on Public Accounts, in Works, v. 445.

27,196. The vessels carried among them 5660 guns.* According to the account laid before the House of Commons by the Navy Office in 1791 which we have referred to on former occasions, the royal navy at the end of William's reign was of the estimated burden of 159,017 tons. A statement given on the authority of Pepys, the author of the Diary, who had been Secretary to the Admiralty in the reigns of Charles II. and James II., makes the number of ships, of fifty tons and upwards, forming the royal navy in 1695, to have been above 200, measuring in all above 112,400 tons, and manned by 45,000 sailors.† The entire number of seamen, therefore, which the kingdom could furnish at this time was probably above seventy thousand. It was in 1696, we may here mention, that the noble institution of Greenwich Hospital was founded for aged and disabled sailors (though not opened till 1705) by an act of parliament, which at the same time established a registry in which mariners, seamen, watermen, fishermen, lightermen, bargemen, keelmen, and other seafaring persons, between the ages of eighteen and fifty, were invited to enrol their names and places of residence, to the number of 30,000, on which they were to receive a bounty or retaining fee of 40s. annually, on condition of holding themselves at all times in readiness to man the royal navy.‡ This registry, however, which aimed at furnishing a substitute for impressment, was discontinued in 1710, on the alleged ground that it had not produced the good effects

* Note in Macpherson's *Annals of Commerce*, ii. 719. Macpherson, who does not quote his authority for this account, expresses a doubt as to the correctness of the figures in the case of the tonnage assigned to the Ipswich vessels. Chalmers, in *Estimate*, pp. 87, 88, refers evidently to the same account, as "A detail in the Plantation Office," although he assigns it to the year 1701, instead of 1702, and gives (apparently by a typographical error) the number of sailors as only 16,591.

† Given in Gibson's *Translation of Camden's Britannia*, 2nd edit. i. 234.

‡ 7 and 8 Will. III. c. 21.

intended for the service of the crown, or the encouragement of seamen, but, on the contrary, had occasioned much charge, vexation, and trouble.* In this same year, 1696, the first light-house was begun to be erected on the Eddystone rock, off Plymouth, by Winstanley, at the expense of the corporation of the Trinity House. It was not, however, completed till the year 1700, and it was blown down on the 26th of November, 1703, when Winstanley himself, happening to be at the rock superintending some repairs, perished with all his workmen. A new light-house, entirely of wood (Winstanley's had been partly of stone), was some years after erected by Rudyerd, which stood till it was burned down in 1755, when it was succeeded by the present admirable stone structure, the work of the late Mr. Smeaton.

On the whole the reign of William, notwithstanding the pressure of the war which extended over the greater part of it, certainly did not by any means either reverse or interrupt the progress the country was previously making in economical prosperity, although it may have somewhat slackened the rate of its advance. It may be asserted, in the words of a late writer, "that manufactures flourished in the mean time; that there was a great demand for labour; that the foreign traffic and navigation of England doubled from the peace of Ryswick to the accession of Queen Anne. For the re-coinage of the silver, meantime, produced an exhilarating effect on industry, in the same proportion as the debasement of the current coin is always disadvantageous to the lower orders, and dishonourable to the state. The revival of public credit after the peace of Ryswick, and the rising of the notes of the Bank of England to par, strengthened private confidence, at the same time that these causes invigorated our manufactures and our trade. And the spirit of population was still more animated by the many acts of naturalisation which were readily passed, during every session, in the reign of William, and which clearly evince how many industrious foreigners found shelter in England

* 9 Anne, c. 15 (21 in common editions).

from the persecution of countries less tolerant and free.”* The national industry and enterprise, indeed, could not fail to receive new animation and vigour, in all their departments, from the increased security of person and property which the Revolution brought with it to every inhabitant of the kingdom, and from the very spirit of freedom that might now be said to vivify and enrich the air of England.

A still larger proportionate as well as actual part of the reign of Anne than of that of William was spent in war, and, both from the greater extent to which military operations were carried on, and from the accumulation of the debt, the public burthens were now considerably increased; but, notwithstanding the cry which was as usual kept up by faction about the continued decay of the national resources, well established facts sufficiently prove that, even during the course of this second war with France, the country, as soon as it had rallied from the first effects of the shock that again broke up and threw into confusion the relations to which it had begun to accommodate itself during the short previous interval of peace, rather made way than fell off in commercial and general prosperity, and that after the war was over its unfettered energies carried it forward at a rate such as it had perhaps never before experienced. It appears that the estimated value of our exports had been reduced by the year 1705 to 5,308,966*l.*; but from this point of greatest depression our foreign trade gradually so far recovered, that in 1709 the value of our exports to all countries had risen to 5,913,357*l.*; in 1711 to 5,962,988*l.*; and in 1712, when indeed hostilities had nearly ceased except in name, to 6,868,840*l.* In 1713, 1714, and 1715, the three years that immediately followed the war, their average amount was 7,696,573*l.*—which was nearly a million sterling beyond their amount during the preceding peace. In another respect our foreign trade had now become more advantageous than it then had been: the total tonnage of the ships annually cleared outwards on the average of the years 1699, 1700, and 1701 had been

* Chalmers, Estimate, p. 81.

337,328 tons, and in the years 1713, 1714, and 1715, its average amount was 448,004 tons; but the portion of it that was foreign at the former period was 43,625 tons, whereas now that was only 26,573 tons—so that the native shipping employed in our foreign trade had increased in this interval from 293,703 to 421,431 tons, or by considerably more than a third.* The progress of the post-office revenue does not indeed afford an equally favourable indication; but this we believe to be attributable to the great extent to which franking was now carried—an evidence of which we have in the fact that in the year 1722, when the net revenue of the post-office was only about 98,000*l.*, it was calculated that there was withdrawn from the gross revenue by franked letters no less a sum than 33,397*l.* The practice of franking is traced back to the Restoration; but it was probably not extensively practised till after the Revolution; from about which time, however, notwithstanding several attempts to regulate it and protect it from abuse, it appears to have been, in part by fraud and forgery, in part by merely the more liberal or unscrupulous use of the legal privilege, carried to a greater excess every year down to the close of the present period. In the first four years of the war, that is, from 1702 to 1705 inclusive, the nett average annual revenue of the post-office declined to 61,568*l.*—a falling off which it seems impossible to suppose could have been owing simply to the war. On the average of the four years from 1707 to 1710 inclusive it was still less, having fallen to 58,052*l.*; nor did the augmentation of the rates one-third in 1711, and the restoration of peace together, raise it on the average of the four years ending with 1714 to a higher sum than 90,223*l.*, although the Scottish post-office, contributing about 2000*l.* a-year, was now incorporated with the English. It may be taken as an evidence of the growth of capital that the legal rate of interest was in 1714 reduced from six to five per cent., at which it still continues.

* Chalmers, pp. 89 and 90, apparently from Mr. Astle's transcript.

One of the most important events affecting our foreign trade that took place in the reign of Anne was the conclusion, in December, 1703, of the famous commercial arrangement with Portugal, commonly called the Methuen Treaty, after the ambassador by whom it was negociated, by which, on condition of our admitting the wines of the growth of Portugal on payment of a duty one-third less than was paid upon French wines, his Portuguese majesty agreed to admit our woollen cloths on the same terms as before they were prohibited, which they appear to have been for about twenty years. This treaty, which continued to be maintained till the year 1831, was, in great part, no doubt, owing to the anti-Gallic temper which prevailed in the public mind, generally regarded at the time as one of the greatest advantages ever secured for our trade and manufactures, and it long continued to be the theme of boundless laudation with all our writers on subjects of commerce and political economy who aspired to the reputation of either orthodoxy or patriotism. As a specimen of the style in which it was wont to be spoken of, and of the beneficial effects that were attributed to it, the reader may take the following passage from Mr. Charles King's *Dedication of the collection of papers entitled 'The ' British Merchant' to the son of Methuen* :—
“ Your father, often ambassador extraordinary to the King of Portugal, procured for Great Britain that glorious treaty of commerce, by which she gains above a million a-year. By this treaty we paid our armies in Spain and Portugal, and drew from thence in the late war considerable sums for our troops in other parts, without remitting one farthing from England ; and at the same time coined in the Tower above a million of Portugal gold in three years. By this treaty we gain a greater balance from Portugal only than from any other country whatsoever ; and at this time it is the only country from whence we have any balance worth the naming. By this treaty we have increased our exports thither from about three hundred thousand pounds a-year to near a million and a half.” One of the writers in the *British Merchant* declares that Mr. Methuen deserved to have his statue set

up in every trading town in the island.* In the same spirit Anderson, the industrious and generally sensible historian of our commerce, earnestly expresses his hope that "this most just and beneficial convention," as it had remained unviolated to his day, may continue so for ever. But the Methuen Treaty is now looked back upon by most thinking persons as having been, if not at the moment when it was contracted, at least during the greater part of the time it was allowed to remain in force, an entanglement on the whole very prejudicial in its effects both commercially and politically. If it gained us the market of Portugal for our woollens, it excluded us from the vastly more wealthy and extensive market of France. In forcing upon us the wines of Portugal, it deprived us of those of France, although such used to be the preference given by our national taste to the latter, that it has been doubted if a single pipe of port was ever brought into this country previous to the Restoration. So great, however, was the change of sentiment and fashion gradually wrought by the wars and other events that had occurred since then, and finally fixed and made permanent by this treaty, that we soon nearly ceased to import or drink French wines altogether, and the belief in the superiority of port came to be held as much part and parcel of the creed of every true-born and true-hearted Englishman as his belief in the eternal fitness of the corn-laws and the game-laws. An instance, as it has been remarked, perhaps the most remarkable in the history of commerce, of the course of trade and the taste and habits of a people being altered by a mere custom-house regulation! Worst of all, this treaty, by rivetting in the manner it did our connexion with Portugal, and binding us both politically and commercially to that country, without question materially contributed to keep us from ever forming any really cordial or intimate alliance with France, even when there was no war between us. Sufficient evidence of this was given in what happened at the peace of Utrecht, in 1713, when the proposed commercial treaty with France, almost the only part of the arrangements

* British Merchant, iii. 51.

then made that was creditable to the English government and their negociators, was prevented from taking effect mainly by the adverse interests and prejudices created by this previous treaty with Portugal. By the 8th and 9th articles of the Utrecht treaty it was stipulated, in substance, that the subjects of the two contracting powers should, as to all duties on merchandise, and all such things as related either to commerce or to any other right whatever, be placed in each other's dominions in the position enjoyed by the most favoured foreign nation; and that, within two months after the English parliament should have repealed all laws prohibiting the importation of any French goods which were not prohibited before the year 1664, and enacted that no higher duties should be paid upon any goods or merchandizes brought from France than were paid upon articles of the like nature imported from any other European country, the French tariff made in 1664 should again come into operation in regard to imports from England, and all prohibitions that had since been issued against English produce and manufactures should be withdrawn or annulled. These propositions obviously went to do away with the Methuen Treaty; and the clamour raised against them on that express ground was instant and general. It was upon this occasion that the paper called *The British Merchant* was established by Mr. Henry Martin (afterwards Inspector-General of Exports and Imports), assisted by Sir Theodore Jannsen, Sir Charles Cooke, Mr. James Milner, Mr. Nathaniel Torriano, and other eminent London merchants, in opposition to the *Mercator, or Commerce Retrieved*, a paper published thrice a-week, in defence of the French treaty and the government, by the celebrated Daniel Defoe. "As this author," says the somewhat unceremoniously expressed preface to the collected lucubrations of his antagonists, "had a knack of writing very plausibly, and they who employed him and furnished him with materials had the command of all the public papers in the Custom-house, he had it in his power to do a great deal of mischief, especially amongst such as were unskilled in trade, and at the same time very fond of French wines, which

it was then a great crime to be against. Several ingenious merchants, of long experience and well skilled in trade, joined together to contradict the impositions of this writer : they knew he had many heads, besides the advantages of public papers, to help him, and therefore thought this the most feasible way to confute him and set the state of our trade in a clear light." The paper they put out, they go on to state, was, in opposition to his title, called *The British Merchant, or Commerce Preserved*, and was published twice a-week. The discussion, it is admitted, was carried on in a somewhat loose and desultory way, and the facts bearing upon the question were stated without much method ; but the reason of this was, " that *Mercator*, whenever he was close set, always quitted the point he was upon, and trumped up something new." No doubt Defoe would give his opponents enough to do in attempting to cope with his activity and dexterity at fence and thrust. Their publication, however, they tell us, and the convincing arguments Sir Charles Cooke and others concerned in the work laid before both houses of parliament, in speeches pronounced at the bar, had the good effect of throwing out the pernicious bill of commerce ; and that although ministers had attempted to gain their point by a sort of stratagem, and, knowing that " French wine was a relishing liquor to English palates," had moved, in the first instance, to take off the duties from the article only for a couple of months—a motion which " was very accidentally, though very wisely, opposed as it was ready to pass, and dropt." The bill for rendering effectual the treaty of commerce was, after it had passed through the committee, lost on the motion that it should be engrossed—only 185 members in an otherwise very subservient House of Commons voting for the motion, and 194 against it. Among those, it seems, by whom the opposition to the treaty had been most zealously promoted, both within doors and without, were Charles Montague (who soon after was made Lord Halifax), and General (afterwards Lord) Stanhope, who became secretary of state in the reign of George I. " My Lord Halifax," says the preface before us, " was the support and the very

spirit of the paper called *The British Merchant*: he encouraged the gentlemen concerned to meet, heard and assisted their debates, and, being zealous above all things that the trade of Great Britain should flourish, he not only continued his influence and advice to the last, but, out of his usual and unbounded liberality, contributed very largely to this work; a considerable sum being raised to carry it on." Stanhope, again, was the person who, suddenly coming into the House of Commons when the vote was about to pass for taking off the duties on French wines for two months, got up a debate on the question, and prevailed upon the House to consent that, before it was carried, the merchants should be heard. The consequences, indeed, that were represented as certain to follow from the treaty were sufficiently alarming, and might well make the legislature pause. "I shall make it appear," says one of the writers in *The British Merchant*, "that, if the 8th and 9th articles of the treaty of commerce between France and us had been rendered effectual by a law, this very thing had been more ruinous to the British nation than if the city of London were to be laid in ashes. This city has been once burned to the ground, but the people were still in being. They were, notwithstanding this calamity, a constant mart for the product and manufactures of the country. But, if such a law as I have mentioned had passed, France would have gone on from that moment to exhaust the treasures of the kingdom. We should have presently lost our best markets both at home and abroad, our gentlemen must have felt a sudden and universal decay of their rents, and our common people must have either starved for want of work, come to the lands or the parish for subsistence, or have retired to foreign parts for bread." The controversy, this eloquent gentleman proceeds, was not party against party, Tory against Whig, protestant against papist, or churchman against dissenter; but nation against nation—the trade of Britain against the trade of France:—"The questions upon this bill are, whether France, after all her ill successes in the late war, be suffered during the present peace, under the colour of a commerce, to exhaust our

treasure, beggar our gentlemen, and starve our common people; and whether the gentlemen of Britain, after all their glorious victories, ought at last to be contented to become hewers of wood and drawers of water to the nation they have so often beaten.* In a subsequent part of the paper it is maintained, as used to be done by most reasoners on this side down to our own day, that by the treaty of commerce with Portugal we were absolutely bound to admit the wines of that country at a lower duty than those of France for ever, or at least so long as the Portuguese chose to admit our woollens at the then duty—a construction which the following express stipulation in the treaty itself sufficiently refutes:—"But, if at any time this deduction or abatement of customs, which is to be made as aforesaid, shall in any manner be attempted and prejudiced, it shall be just and lawful for his sacred royal majesty of Portugal again to prohibit the woollen cloths and the rest of the British woollen manufactures."

With all its extravagance upon some points, *The British Merchant* contains a good deal of information on the state of our commerce at the close of the reign of Anne, and most of its facts may probably be confided in, whatever may be thought of many of its inferences and reasonings. Notwithstanding all the methodising the original papers are stated to have received on their republication in a collected form, the three volumes of which the book consists are still a confused enough miscellany; but we shall endeavour to select from the mass some of the particulars that seem most curious or otherwise worthy of notice.

In his preface the editor, enumerating the peculiar commercial advantages of Great Britain, states that in a list he had seen of the merchants in and about London, printed in the year 1677, they were 1786 in all: "I know," he adds, "above 400 of them, who are all true merchants, that is, importers and exporters of goods, for no other are such. If the whole list, then, is true, as it probably is, and we add to these the merchants in Bristol, and other trading towns of Great Britain, Ireland, and

* *British Merchant*, i. 181.

our plantations, with those who are abroad in Turkey, Italy, Spain, Portugal, Holland, Germany, Russia, Norway, the Baltic, Africa, and the East Indies, I am of opinion we have, at least, two-thirds as many as all the rest of Europe put together, if not more." The account, at least, shows us the foreign countries in which English merchants were at this time resident.

The following passage on the comparative prices of labour and habits of the labouring classes in France and England is very interesting :—" The French did always outdo us in price of labour : their common people live upon roots, cabbage, and other herbage ; four of their large provinces subsist entirely upon chestnuts ; and the best of them eat bread made of barley, millet, Turkey and black corn ; so that their wages used to be small in comparison with ours. But of late years, their crown pieces being made of the same value as ours, and raised from sixty to one hundred sols, and the manufacturers, servants, soldiers, day-labourers, and other working people earning no more sols or pence by the day than they did formerly, the price of labour is thereby so much lessened, that one may affirm for truth they have generally their work done for half the price we pay for ours. For, although provisions be as dear at Paris as they are at London, it is certain that in most of their provinces they are very cheap, and that they buy beef and mutton for half the price we pay for it here. But the price of meat and wheat doth little concern the poor manufacturers, as they generally drink nothing but water, and at best a sort of liquor they call *beverage* (which is water passed through the husks of grapes after the wine is drawn off) ; they save a great deal upon that account ; for it is well known that our people spend half of their money in drink. The army is a notorious instance how cheap the French can live ; it enables their king to maintain 300,000 men with the same money we maintain 112,500 ; their pay being five sols a day (which is exactly threepence English), and our soldiers' pay is eightpence. However, they subsist upon that small allowance ; and, if there be the same disproportion between our manufactures and theirs as there is

betwixt our soldiers and their soldiers as to pay, it is plain that the work in France is done for little more than a third part of what it is done for in England. And I am confident it is so in most of their manufactures, of which I could give many instances if it were needful; but let these two following at present suffice:—At Lyons, which, next to Paris, is the best city in France, they pay nine sols an ell for making of lustrings, which is little more than fivepence English money; and the price paid here for making lustrings is twelvepence an ell. In the paper manufacture abundance of people are employed for sorting of rags in the mills, who earn in France but two sols a day, which is less than five farthings of our money; and the price paid here for such work is fourpence a day.”* Elsewhere it is stated that the common annual subsistence of working people in country places in England, taking old and young together, is about 4*l.* per head: “I have not known,” says the writer, “anywhere in the country that a husband, his wife, and three or four children, have asked any relief from the parish, if the whole labour of such a family could procure 20*l.* per annum.”†

The sum of the doctrine of the writers of the work on the subject of foreign commerce is given in the following words:—“That trade which makes money flow in most plentifully upon us, enables our people to subsist themselves better by their labour, raises the value of our lands, and occasions our rent to be better paid, must always be reckoned the best trade; for these are the only rules by which it is possible to state and determine the value of any particular trade, or of the general trade of the whole nation.” Upon this principle it is affirmed, that we then carried on an advantageous trade with each of the following countries: 1. Portugal, from which kingdom, although we brought home wine, oil, and some other things for our own use and consumption, yet the greatest part of our returns were gold and silver: “so much, therefore, the Portuguese pay to the employment and subsistence of our people, and for the product of our lands; so much as this balance is in gold and silver they

* British Merchant, i. 7.

† Id. i. 237.

contribute to the prosperity and happiness of this nation.” 2. Spain, our imports from which used to consist of wine, oil, wood, cochineal, indigo, fruit, iron, &c. Of these things a great part were used in the manufactured goods we exported, and to that extent they contributed to the employment of our people and the improvement of our lands. “But a very great part of our returns from Spain was money, for the overbalance of our manufactures sent thither; and this *undoubtedly* was so much added to the prosperity and happiness of this nation.” 3. Italy, our exportations to which were made good to us by returns in oil, wine, thrown and raw silk, wrought silk, currants, paper, drugs, &c., and the rest in money. “This last,” it is again observed, “is so much added to the happiness and prosperity of the nation; and so, indeed, are many of our other returns, since they are manufactured by our own people, and contribute so much to their maintenance.” 4. Turkey, from which, indeed, it is admitted that we brought home little or no money, the full or very nearly the full value of our exports being paid in raw silk, grogram-yarn, cotton, wool, cotton-yarn, goats’ hair, coffee, dyeing goods, drugs, &c. These, however, were all materials used in our manufactures, and things, therefore, which contributed to the employment and subsistence of our people. 5. Hamburg and other places in Germany, from which, although our returns were chiefly made in linen and linen-yarn, yet we also received a balance in money. 6. Holland, our exports to which “are,” says the writer, “prodigious, whether we consider our woollen manufactures, the produce of our own country and our plantations, our East India, Turkey, and other goods.” In return, we received from the Dutch some spices, linen, thread, paper, Rhenish wines, battery, madder, whale-fins, clapboard, wrought silks, &c.; but nearly three-fourths of the value of our exports were paid for in money, making, as has been already shown, what was called a balance in our favour of not much less than a million and a half sterling per annum. And many of the goods imported from Holland were also useful in our manufactures.*

* British Merchant, i. 22.

It is afterwards admitted, however, that every trade on which we paid a balance in gold or silver was not to be set down as "guilty of exhausting our treasure;" on the principle that the goods we thus buy from a foreign country we may re-export, in whole or in part, for a greater sum of money than we paid for them. Thus, the following trades are also allowed to be profitable, or, at the least, not disadvantageous:—1. The East Country trade. "We buy," it is observed, "hemp, pitch, tar, and all sorts of naval stores from the East Country. Unless we did this, we could not fit out a single ship to sea. The goods we send to that country are by no means sufficient to even the account between us; we are forced to pay the balance in gold and silver, and this, as I have heard, amounts to 200,000*l.* per annum. Shall we be said, then, to lose so great an annual sum by our East Country trade? No, certainly; for, not to insist upon the numberless people that are employed and subsisted by shipping and navigation, we gain much more by our shipping than the above-mentioned sums from other countries with which we trade; and it is certain we could gain nothing this way if we had not first bought the naval stores." This may be true enough, but it is subversive of the whole doctrine of the mercantile and manufacturing theories: if we are to account the trade with a foreign country beneficial when, although there is an excess of imports over exports, and consequently a balance to be paid for in money, the imports are yet such as are necessary to enable us to carry on some other gainful branch or branches of commerce, then we might be said to trade profitably even with a country from which we imported nothing but food, to be consumed as fast as it arrived, and to which we exported nothing but the money to pay for that food; for, assuredly, without the means of keeping ourselves alive, we could carry on no gainful trade or occupation whatever. And the same thing may be said of the purchase from abroad of any other article whether of necessity or convenience: if the article is one which we can procure at less cost in that way than by producing or manufacturing it at home we shall be gainers by so procuring it,

and leaving the labour that would have gone to furnish it free to be employed on something else (*if any such thing is to be found*) for the production of which we are more favourably situated, and which we either require ourselves or can dispose of profitably to some other country. Or even if the article we import be one of mere luxury, still, if we will have it, it is manifestly more economical, for the same reason, to pay money for it to a foreign country than to produce it at home by the expenditure of an amount of labour more than equivalent in value to that money, and which we could employ profitably in some other way. Our author goes on to argue, in regard to the advantages of the East Country trade, that, taking our shipping to amount in all to 500,000 tons, and estimating the freight at 5*l.* a ton, it might be said, seeing that the freight of all exported goods falls upon the purchasers, that more than a fifth of the 2,500,000*l.*, which might thus be called the annual value of our shipping, was paid by the nations with whom we traded. "Then," he concludes, "we pay the East Country about 200,000*l.* per annum for our naval stores, which could not be had but from that country, and gain above twice as much by our shipping from other nations. Therefore, though we pay so great an annual balance upon that trade, yet our treasure cannot be said to be exhausted by it: we have such goods in exchange for it as make us very ample amends, and enable us to supply that loss by our other commerce." We may here mention that, early in the reign of Anne, an act was passed "For encouraging the importation of naval stores from her majesty's plantations in America," which, after reciting in the preamble that such stores were then (in 1703) "brought in mostly from foreign parts, in foreign shipping, at exorbitant and arbitrary rates," while they might be provided in a more certain and beneficial manner from the vast tracts of land lying near the sea, and upon navigable rivers, in the colonies and plantations in America, which were at first settled, and were still maintained and protected at a great expense of the treasure of this kingdom, ordered that

certain bounties should be paid upon the importation from the said colonies of tar, pitch, rosin, turpentine, hemp, and masts.* The good consequence of this reasonable law, according to Anderson, was soon felt; so that at the time when he wrote both the New England provinces and also Carolina furnished us with great quantities of pitch and tar, "fit for most uses in the navy." "Of late, also," he adds, "good hemp and flax are raised in the said provinces, where there are such immense quantities of proper and excellent lands for the raising of those commodities." But this result was probably not produced to any considerable extent till a date a good deal later than that to which the details in the British Merchant refer. At the time when the act was passed it was computed that the quantity of pitch and tar, chiefly from Sweden, but in part also from Norway and from Archangel, imported by England, was about 1000 lasts; by Holland, for home-use and also for re-exportation to Spain, Portugal, and up the Mediterranean, 4000 lasts; by France 500; and by Hamburg, Lubeck, and the German ports, to the same amount.† By a subsequent act, passed in 1712, the same bounties were granted upon the importation of naval stores from Scotland; but this, as Anderson admits, was to little or no purpose, the lands and woods which might yield such naval stores being there, as the act itself states, "mostly in parts mountainous and remote from navigable rivers."‡ "This," he observes, "the York Buildings' Company experienced, to their cost, some years after this time: the timber they felled in some of those woods, at a great expense, being left to rot on the ground, the carriage of it to the nearest places of navigation being found impracticable, which will probably ever be the case with respect to Scotland, notwithstanding the bounties allowed by that act, or any larger bounties to be reasonably granted." 2. Another trade, which the writer in the British Merchant admits might also possibly be advan-

* Stat. 3 and 4 Anne, c. 9 (or 10 in the common editions).

† Anderson, Chron. of Com. iii. 17.

‡ Stat. 12 Anne, c. 9.

tageous, although it occasioned an annual export of bullion in the first instance, is that which we carried on with China and the East Indies. Besides goods and merchandises, we sent yearly to those countries between four and five hundred thousand pounds in money; but then, besides that there were some of our imports thence, such as saltpetre, pepper, and a few drugs, which perhaps we could not well do without, we re-exported all the silks and stained calicoes we brought home, the use of these articles being prohibited in England; and even of the white calicoes and muslins, of the coffee, tea, pepper, saltpetre, and other goods we procured by our East India and China trade, very great quantities were also re-exported, and for much more money than all that we sent to the East. "The consequence is," concludes our author, "that our treasure is not exhausted by that trade, since we have those goods in exchange for our money as procure us much greater sums from other countries, and since our whole loss is more than repaired by exporting part only of those goods at a much higher price than we paid for the whole."* This reasoning, however, would not have been deemed satisfactory by many political economists of the day—by Pollexfen and others, for instance, who still maintained that the East India trade was in reality little else than an exchange for useless and even pernicious luxuries of the only true wealth, and, as it were, the very life-blood of the kingdom; but some of the writers in the *British Merchant* were probably concerned in that trade, and members of the now comparatively flourishing company by which it was carried on. The United East India Company had resumed the payment of their dividends in 1709, first at the rate of only five per cent; but it was raised to eight in the latter part of the same year, soon after to nine, and, at last, in September, 1711, to ten per cent.†

A curious illustration of the value of the Turkey trade is afterwards given in an account of the manufacture of 100 broad-cloths, and their export to and sale in that

* *British Merchant*, i. 26.

† Macpherson's *European Com. with India*, p. 168.

country, which is stated to have been communicated by a correspondent, and is probably therefore an account of an actual transaction. To begin at the beginning and follow the progress of the manufacture as well as the commercial history of the finished commodity, a clothier is first introduced who buys at market 50 packs of wool, picked and sorted, at 10*l.* per pack, or for 500*l.* With this wool he makes 100 broad-cloths, the manufacture of which, in carding, spinning, weaving, milling, dressing, &c., as such cloths were “usually brought to and sold white at Blackwell Hall,” would amount to about the first cost of the wool, or 500*l.* more; making the whole cost of the article 1000*l.* The clothier’s profit, of course, is on the manufacture, and is included in this sum, which is that for which he sells the 100 cloths to the merchant, being at the rate of 10*l.* per cloth. Then, the merchant has the cloths dyed, one-third in grain colours at 7*l.*, and two-thirds in ordinary colours at 30*s.* per cloth; making in all 333*l.* 6*s.* 8*d.*; and he also pays 15*s.* per cloth for selling, drawing, pressing, packing, &c.: so that they have cost him altogether 1408*l.* 6*s.* 8*d.* To repay him for this outlay, and for all other charges, including interest and insurance, he must get at least for his cloth in Turkey 2200 pounds of Persian fine raw silk (called Sherbaffee). Having brought this home, he manufactures the half of it into plain coloured tabies, for which he pays at the rate of 13*s.* 7*d.* per pound, or 747*l.* 1*s.* 8*d.* in all; and the other half into rich flowered silks brocaded, which will cost him 1*l.* 19*s.* 9*d.* per pound, or 2186*l.* 5*s.*; besides which the charge of dyeing only an eighth part of the silk into grain colours at 9*s.* per pound will be 123*l.* 15*s.* Add the freight of the cloth and the silk, computed at 40*l.* 12*s.* 6*d.*; the duty on the import of the silk, 156*l.* 15*s.*; and his factor’s commission abroad on the sale of the cloth, and the investment of the proceeds in silk, 100*l.*; and it will be found that the entire expenditure of the merchant, omitting some petty charges, has amounted to 4762*l.* 15*s.* “If any is to be added for the merchant’s and the mercer’s gain,” continues the statement, “(and we may depend

upon it they will not be at the trouble of driving their trades for nothing), we may very well affirm that the whole cost of this manufacture for consumption cannot be less than the sum of 5000*l.*; so that 2200 pound weight of Turkey raw silk manufactured here pays the sum of 5000*l.* to the subsistence of our own people." Our total annual export of cloths to Turkey is stated to be about 20,000 pieces, for about the half of which our returns were in raw silk.*

A very minute and complete account of our trade with France for one year in the reign of James II., 1686, when the trade was free, as drawn up from official returns, and laid before the House of Commons during the discussion on the Utrecht Treaty of Commerce, is here adduced simply to show that our imports from that country then amounted annually in value to 1,284,419*l.*—namely, into the port of London 569,126*l.*, into the outports 715,293*l.*; and our exports thither to only 515,228*l.*—namely, from London 409,563*l.*, and from the outports 105,665*l.*; so that the former exceeded the latter by the sum of 769,190*l.*, or in other words that we lost by the trade to that amount, even by such goods as were entered at the custom-house. "This were loss sufficient, if annually repeated," exclaims the alarmed writer in the *British Merchant*, "to ruin this kingdom in a very few years." Dismissing that apprehension, we will here note a few of the entries in the account which throw a light upon the intercourse that formerly subsisted between the two countries in a social rather than a commercial point of view. Among the imports from France are the following items:—229 cwt. of unbound books, valued at 20*s.* per cwt.; 37 small gross of bracelets or necklaces of glass, valued at 44*l.* 8*s.*; 3876 fleams to let blood, at 2*d.* each; 162 dozen fans for women, at 40*s.* per dozen; 1487 cases of glass for windows, at 30*s.* per case; 20 reams of blue paper, at 10*s.* per ream; 20 of cap paper, at 7*s.* 6*d.* per ream; 77,336 of copy paper, at 5*s.* per ream; and 1659 reams of royal and larger paper, at 40*s.* per ream; besides 11,617 reams (probably

* *British Merchant*, i. 137.

of copy paper) into the outports at 5s. per ream; 70 tons of Caen stones, at 15s. per ton; 1188 ells of tapestry with caddas, at 8s. per ell; 162 ells of tapestry with silk, at 13s. 4d. per ell; 16,648 tuns of wine, at 17l. 10s. per tun; 400 mill-stones, at 10l. each; 302 pounds of coral, at 3s. 4d. per pound; 4266 pounds of garden seeds, at 8d. per pound; 268 gallons of orange-flower water, at 5s. per gallon; and 400 pounds of rose-leaves, at 1s. per pound. Among the exports to France are, 1075 dozens of old shoes, at 10s. per dozen; 3 pairs of virginals, at 5l. per pair; 49 cwt. of printed books and maps, at 20s. per cwt.; 3 pictures, at 40s. each; 49 barrels of salmon, at 4l. per barrel; 11 horses, at 10l. each; 50 cats, valued altogether at 7s. 6d.; 141 dozen dogs, at 6s. per dozen; and 561 pounds of tea, at 10s. per pound. The writer before us asserts that even in his time, besides the goods from France entered at the Custom-house, great quantities were every day clandestinely imported.* He states also that, notwithstanding the higher duties that had been imposed, either our luxury or our substance had so much increased, that nearly as much wine was still imported from France as in the time of James II. "And are we," he asks, "less fond of clarets now than heretofore?"† It was also understood that, besides the quantity mentioned in the above account, the importation of French wines into Scotland amounted to three or four thousand tuns a-year.‡ Comparing the four years from 1682 to 1685 inclusive, during which French wines were excluded from this country, with the four from 1686 to 1689 inclusive, during which they were admitted, it appears that the removal of the prohibition, while it brought us an average annual importation of French wines to the amount of 13,400 tuns, reduced our average importation of Portuguese wines from about 11,000 to little more than 400 tuns, of Spanish from about 6700 tuns to less than 4000, and of Rhenish from above 1400 tuns to between 600 and 700. In 1685 we imported no French wines and

* British Merchant, i. 279.

† Id. p. 293.

‡ Id. p. 297

12,185 tuns of Portuguese ; but the next year, when the prohibition was taken off, 12,760 tuns of French wines were imported, and of Portuguese only 289. And it is admitted that even at the time when the prohibition was in force great quantities of French wines were every year imported under the names of Spanish and Portuguese, by the direction of the court and the connivance of the Custom-house officers.† The British Merchant, while he laments and condemns, very frankly admits, not only the general preference of his countrymen for French wines, but even the reasonableness of this preference as a mere matter of taste. “Not to insist,” he says, glancing at the threatened infliction of the Utrecht Treaty of Commerce, “upon the general inclination towards everything that is French, these wines will be the cheapest ; but they are so preferable in themselves, that I believe at a third-part greater price they would be the common draught in England.”‡

From an account of the manufacture of paper at this date, both in France and in England, we abstract the following details :—“There are seven provinces in France where the manufacture of paper is settled, viz., Champagne, Normandy, Britany, Angoumois, Perigord, Limousin, and Auvergne ; the three last provinces are full of large forests of chestnut trees, and abound so much in that kind of fruit, that the common people have no other food all the year round, and no other drink but water ; so that they can afford their work very cheap, and do it for next to nothing, except some of the upper workmen, who earn a small salary by the week. This is so true that considerable parcels of paper were imported lately from thence, although the duties paid here exceed one hundred per cent. on the first cost.” To the objection made by De Foe, that a Frenchman living “on an onion and a draught of water, a bunch of grapes, and a piece of bread” never could do such a day’s work—could do so much in a day, and that much so well,—as an Englishman who had his beef and his pudding, our author

* British Merchant, i. 302.

† Id. pp. 307, &c.

‡ Id. p. 312.

replies, "I have had the curiosity to inquire into the paper manufacture, and I find that five pair of hands are employed at every fat; that so many hands are necessary in England, and that more cannot be employed in France. I am taught, too, by our own manufacturers, that they do not dispatch here above eight reams of paper in a day at a single fat, and that they dispatch above nine in France with the same number of hands; and yet I believe there is not any man in England so hardy as to affirm that either ours, or indeed any paper in the world, exceeds that of France." He accounts for this on the principle, that there is a slight of hand in almost every manufacture which is more effective than mere strength. "Before the Revolution," the account proceeds, "there was hardly any other paper made in England than brown; but, the war ensuing, and duties being laid from time to time on foreign paper, it gave such encouragement to the paper-makers, that most of them began to make white paper fit for writing and printing; and they have brought it by degrees to so great perfection, both for quantity and goodness, that they make now near two thirds of what is consumed in Great Britain; and several of them make it as white and as well-bearing as any comes from abroad, as Sir William Humphreys, Mr. Baskett, and several others can witness. And I make no doubt, if further encouragement was given them by taking off the twelve per cent. excise which was lately laid upon home-made paper, and which, by the multitude of officers, brings in little or nothing to the queen, and the said twelve per cent., for an equivalent to the fund, was laid upon outlandish paper, but that they could in a little time make enough to supply all the occasions of the nation; there being above 120 fats within sixty miles of London, besides several more in Yorkshire and Scotland, which all, more or less, make white paper, and will undoubtedly go on daily improving and increasing that useful manufacture, if the present high duties be kept on French paper, being that which they dread most, by reason of its extraordinary cheapness." Then follows a description of the process of paper-making, which it is

unnecessary to extract : the rags, it is stated, which are the main ingredient, were formerly cast away, and thrown to the dunghill, " but are now gathered with great care by poor people, who get honestly their livelihood by it, and would otherwise beg their bread ; this employs abundance of hands." There is no mention of any importation of rags from abroad. The consumption of paper in Great Britain, the writer thinks, was not greater than it had been in the reign of King William ; he rates it at about 400,000 reams per annum, of which the 120 fats within sixty miles of the metropolis, making each on an average eight reams a day, furnished nearly three-fourths, and those in Yorkshire and Scotland, and our importations from Holland and Italy, the remaining 100,000 reams.*

The Union of Scotland and England, which took place in the reign of Anne—an event important to both countries in every point of view—laid a foundation for the extension of the commerce of Scotland particularly, which was not one of its least important consequences. Till now the two kingdoms, though under the rule of the same sovereign, regarded each the other as a foreign state, commercially as well as in respect to most of their political relations. The privileges of foreign trade enjoyed by the one were withheld from the other ; and their interchange of commodities with each other was extremely inconsiderable. An account has been published from the books of the Inspector-General of Customs of the value of the merchandise received by the one from the other by sea during the ten years preceding the Union, from which it appears that (independently of the little that might be conveyed by land-carriage) the amount of all the goods that passed between the two countries in a year much oftener fell short of than exceeded the small sum of 150,000*l*. In 1698 England imported from Scotland merchandise to the value of 124,835*l*., and in 1700 to that of 130,087*l*. ; but with the exception of these two years the English imports never reached 100,000*l*. And they went on decreasing almost every year : in 1697 they

* British Merchant, ii. 228-238.

were 91,302*l.*; in 1699, 86,309*l.*; from 1701 to 1703 they never reached so high as 77,000*l.*; from 1704 to 1706 they were when at the highest under 58,000*l.*; and in the year 1706 they had fallen to 50,309*l.* The imports into Scotland from England, again, were never higher than 87,536*l.*, which they were in 1704; but they were more generally between 50,000*l.* and 60,000*l.*; in 1705 they were only 50,035*l.** Except that she obtained a share in the Scottish fisheries, which for a long time she took very little advantage of, the chief direct commercial benefit of which the Union put England in possession was merely the increase of this intercourse with Scotland, which was now thrown as fully open to her manufacturers and merchants as Yorkshire; but Scotland, which had no colonies or distant dependencies of her own, her solitary attempt at Darien having not only failed in itself, but well nigh bankrupted the mother country, was at once admitted to a participation in all the colonial commerce of England, in so far as it was free to the subjects of the latter country themselves, and more especially to that both with the American plantations and with Ireland. The market of England, of course, was also opened to her for the sale of any native produce or manufactures she might have to export which suited the wants or the tastes of that part of the island. "By this union," writes Anderson, about half a century afterwards, "Scotland's coarse woollen stuffs and stockings, and her more valuable linen manufactures, now of many various, beautiful, and ingenious kinds, have a prodigious vent, not only in England, but for the American plantations." He also notices the consumption to a large extent of the black cattle and peltry of Scotland by their southern neighbours—a branch of trade which has continued to increase down to our own day. Another economical advantage which the Scots derived from this political incorporation with England was the substitution of the coinage of the latter country for their own greatly depreciated currency. The Scottish gold and silver money

* See account published by Macpherson, in *Ann. of Com.* ii. 737.

was all called in on the occasion to be recoined ; and the native antiquaries boast that no less a sum than 411,117*l.* 10*s.* 9*d.* was actually brought to the Mint at Edinburgh for that purpose ; “ besides perhaps as much more, hoarded up by the whimsical, disaffected, and timorous, who were strongly prepossessed against the Union, and were far from believing it would last any length of time ; besides, also, what was then exported, and what was retained by silversmiths for plate, &c.”* On the whole, it is calculated that the gold and silver currency of Scotland in the year 1707 was not less than 900,000*l.* sterling. It has been estimated that the money circulated in England at this time was about sixteen millions.

After the details into which we have entered respecting the quarter of a century that immediately followed the Revolution, during which our trade may be supposed to have settled itself in the new channels into which it was impelled principally by that great political change and the wars to which it gave rise, it will be sufficient that we notice only the most remarkable or significant facts in the commercial history of the remainder of the present period.

The accession of the House of Hanover, however much the national industry in all its branches may have benefited from the tranquillity and security resulting from the confirmed establishment of that family on the throne, and the final extinction of the hope of a second restoration of the Stuarts, would not seem at first to have operated favourably upon our foreign trade, nor, consequently, upon the spirit and activity with which production was carried on at home, if we were to regard our exports to other countries as measuring the entire produce of our land and labour. The value of our exports for 1714, the last year of the reign of Anne, was 8,008,068*l.*, which was a higher amount than they ever reached during the reign of George I. In 1715 they fell to 6,922,263*l.* ; in 1716 they were 7,049,992*l.* ; and in 1718 they had declined so low as to 6,361,390*l.* From this point, how-

* Anderson, Chron. of Com. ii. 26, referring to Ruddiman's Preface to James Anderson's *Thesaurus Diplomatum et Numismatum Scotiæ*.

ever, they gradually improved: in 1723 they were 7,395,908*l.*; and their average annual amount for the three years 1726, 1727, and 1728 was 7,891,739*l.* The amount of shipping cleared outwards in each year corresponded generally with these valuations of the cargoes: in 1714 it was 478,793 tons (of which 33,950 were foreign); in 1715, 425,900 tons (of which 19,508 were foreign); in 1716, 456,309 tons (of which 17,493 were foreign); in 1718, 444,771 tons (of which 16,809 were foreign); in 1723, 419,683 tons (of which 27,040 were foreign); and on the average of the three years from 1726 to 1728 inclusive, 456,483 tons (of which 23,651 were foreign).* In connexion with the subject of the mercantile shipping, we may note here that the royal navy, which at the end of the reign of Anne is stated to have amounted to 167,171 tons, was reduced in 1721, according to a writer of the day, to 158,233,† but had increased again at the death of George II. to 170,860 tons.‡

Among the minor events, or arrangements, by which our trade and manufactures were affected in the reign of George II., may be mentioned the following:—In 1715 a treaty of commerce was made with Spain, by which it was stipulated that British subjects were to pay no higher duties in the Spanish ports than they paid in the reign of the Spanish king Charles II. (that is, than they paid before the commencement of the late war); that they should nowhere pay any higher or other duties than were paid by the subjects of his Catholic majesty in the same places; and that the subjects of both kingdoms should be mutually treated in each on the footing of the most favoured nations. In 1717 the duty on the export of

* Chalmers, Estimate, 104, 105.

† Survey of Trade, by William Wood (afterwards Secretary to the Commissioners of the Customs), p. 15. Wood dedicates his book to George I.; and his object is to prove the progress that the navy, as well as all the other elements of the national power and prosperity, had made since the Revolution.

‡ Account laid before House of Commons in 1791.

British-made linen (which, however, was only sixpence on the piece of forty ells) was taken off, as that on the export of corn and woollens had been some years before, on the ground that the said linen manufacture employed many thousands of the poor of the kingdom.* In 1721 parliament passed an important act for the encouragement of the trade and manufactures of the kingdom, by which, first, certain bounties were granted upon the exportation of home-made silken stuffs and ribands, and mixed stuffs of silk and grogram, silk and inkle or cotton, and silk and worsted; secondly, all duties whatsoever payable on the exportation of native produce and merchandises were taken off, except only those on alum, lead, tin, tanned leather, copperas, coals, wool-cards, white woollens, lapis calaminaris, skins, glue, coney wool, hare's wool, hair, horses, and litharge of lead; thirdly, all substances used in dyeing, saltpetre only excepted, were allowed to be imported duty free; and, lastly, a reduction was made in the duties on the importation of pepper, mace, nutmegs, and cloves. Half the duty paid on furs was also ordered to be returned on their re-exportation.† In 1719 an annual sum of 2000*l.* per annum out of the revenues of customs and excise in Scotland was allotted for ever to be applied towards the encouragement of the fisheries, and such manufactures and improvements in that country as might most conduce to the general good of the United Kingdom.‡ And in 1726 certain new facilities were given by another act for the importation of salt from England into Newfoundland and the northern parts of America, where, as is recited in the preamble, the river Delaware, the bay and coast of the province of Pennsylvania, and the seas adjoining, had been found to be very commodiously situated for carrying on the fishing trade, and to abound with great quantities of shad, sturgeon, bass, and several other kinds of fish, which might be caught and cured, and made fit for foreign markets, “whereby,” it is added, “the trade of Great Britain and the inhabitants of the said province would reap con-

* Stat. 3 Geo. I. c. 7.

† Stat. 8 Geo. I. c. 15.

‡ Stat. 5 Geo. I. c. 20, § 14.

siderable benefit, which would enable the said inhabitants to purchase more of the British manufactures for their use than at present they are able by reason of the little trade and produce the said province affords.”* Of how little value our American settlements were still esteemed may be understood from the fact, that, when only a few years before this, in 1715, a bill was brought into parliament (which, however, did not pass) for enabling the crown to purchase what were called the charter and proprietary colonies, William Penn had agreed to sell his lordship of Pennsylvania for twelve thousand pounds ! He had himself asked only twenty thousand in the first instance, when the negociation was begun with him in the reign of Anne. In 1724, on the application of the South Sea Company, who had resolved to re-enter upon the long abandoned whale fishery, an act was passed by parliament taking off the duty of three-pence per pound on whale-fins, and allowing fins, oil, and blubber to be exported duty free in British ships for the term of seven years. The company forthwith directed twelve ships of 360 tons each to be built for the Greenland trade ; and “hired,” says Anderson, “the Duke of Bedford’s great wet-dock at Deptford, for the use of their ships and stores, and for curing of their oil and whale-fins.” “In the year 1725,” he afterwards relates, “the South Sea Company commenced their unfortunate whale-fishery. Their twelve new ships brought home twenty-five whales and a half ; and, though this was scarcely a saving voyage, it was, nevertheless, the very best year of any of the eight in which they carried on that fishery. It must, however, he observed, that, the nation having entirely relinquished this trade for so many years past, there was not an Englishman to be found who knew anything of the Greenland or whale-fishery. The Company was, therefore, under the necessity of having all their commanders, harpooners, boat-steerers, line-veerers, and blubber-cutters, from Fohrde in Holstein (some few natives of Scotland excepted, who on this occasion left the service of the Hollanders), who had before this time been constantly employed either by

* Stat. 13 Geo. I. c. 5.

Hamburghers, Bremers, or Hollanders. Those Holsteiners cost the Company this year 3056*l.* 18*s.* 3*d.*, although but 152 in number; not only because they were all what is usually called officers in that fishery, and consequently had more wages and allowances than the common sailors, but had also their charges borne by the Company both in coming every year from and returning back to Holstein to their families, as was also their constant practice when employed by other nations; whereas above double their number, namely, 353 British subjects, employed on those twelve ships, cost but 3151*l.* 15*s.* 5*d.*" The Company, however, the next spring built twelve more ships, and in 1726 the whole twenty-four proceeded to Greenland and Davis Straits. "In which," says our annalist, "they succeeded considerably worse than in their first voyage, having brought home but sixteen whales and a half." In 1727 they sent out twenty-five ships, manned by 762 British subjects and 344 foreigners; when two of the ships were lost, and the rest brought home only twenty-two whales and a half—being not quite one fish for each. At last, in 1732, the Company determined to retire from the trade; their expenditure upon which during the eight years they had carried it on had been 262,172*l.*, while their returns had amounted only to 84,390*l.*, leaving them losers to the extent of 177,782*l.* "It has been usually computed," observes Anderson, "that, if a Greenland ship brought home but three whales, it would be a reasonably gainful year; but, most unfortunately for the South Sea Company, they had not, in all the eight years' fishery, brought home at the rate of one entire whale per ship, taking one year with another. It has, moreover, been a maxim among the whale-fishing adventurers, that one good fishing year in seven usually makes up the losses of six preceding bad years. But it was very unhappy that all the said eight years happened to be bad, not only to the Company, but to most of the adventurers of other nations." The next year an attempt was made by parliament to revive the trade by the forcing system of a bounty upon the ships employed in it; and other similar artificial encourage-

ments were afterwards on several occasions applied for the same purpose; but, although the English whale fishery was thus kept from absolutely expiring, it never was prosecuted with any considerable or general success, nor could be regarded as one of the regular branches of the national industry, till after the close of the present period.

The year 1720 is memorable in our financial history for the famous South Sea scheme, or project adopted by the Government and the legislature of effecting the liquidation of the national debt by the instrumentality of the mercantile company of that name, which had been incorporated in 1711 by act of parliament, for the very different object of carrying on a trade to the South Seas. As soon as the company was placed in its new and extraordinary position, the eagerness to purchase its stock became a universal mania. But, wild as was the epidemic phrensy that seized men's minds on this occasion, and disastrous as it proved in its consequences to the fortunes of numerous individuals, it was probably neither in its beginning symptomatic of anything unsubstantial or tending to a decline in the national wealth, nor in its ultimate consequences very much of a public or general calamity. We have just seen, that for some years after the accession of George I. our exports to foreign countries rather diminished than increased; but we should probably misinterpret that fact if we assumed it to be an evidence of any falling off in our produce and manufactures, as if we sent less of them abroad because we had less at home. It is much more likely that the contrary was the case—that we had less to spare to our neighbours because we were able to consume more ourselves, or, in other words, that our merchants were partially withdrawn from the foreign market by the temptations of an improved market at home. If it was so, the importance of our home trade is and always has been so prodigiously superior to that of our foreign trade, that is to say, the demand for our produce and manufactures abroad has at all times been so insignificant in comparison with their consumption among ourselves, that a slight falling off in the quantity of our

exports may very possibly have been compensated ten times over to our manufacturers and producers by the readier vent and higher prices they obtained for their goods without crossing the seas. The single circumstance of the decline that now took place in the rate of interest may be regarded as a proof of the growing abundance of capital, seeing that it cannot apparently be attributed to the only other cause by which such an effect could be produced, a diminution of the field for the employment of capital ; for the rate of interest always represents the effective value of capital, which again (as with all other things that are marketable or exchangeable) varies directly as the demand and inversely as the supply. Now, at this time the national interest of money had fallen to three per cent. : even the government, which, from the extent of its necessities always made its loans at a disadvantage, seldom throughout the reign of George I. borrowed at more than four. And other indications pointed in the same direction, disclosing in like manner an economical condition of the nation, and a temper of the public mind, from which the chief danger to be apprehended was the wanton and impatient recklessness of unwonted plenty and prosperity ;—among the rest the taste for lotteries, projects, and other short cuts to wealth, which appears to have been ever since the Revolution more and more gaining possession of the popular mind. For it is a mistake to suppose that the history of projects and bubble companies in England begins with the year of the South Sea delusion. They had never, indeed, come in so great an inundation before, but we had had less considerable outbreaks of the same kind of spirit on other occasions since the Revolution. The years 1694 and 1695, for instance, were remarkable project-years. Among many more schemes that were then set on foot, and which eventually came to nothing, were the famous Dr. Hugh Chamberlain, the man-midwife's, Land Bank, for lending money at a low interest on the security of land, and establishing a national paper currency on that basis ; another scheme of the same kind proposed by one John Briscoe ; various projects of fishing for lost treasure

in the sea; projects for pearl-fishing, for mining, for turning copper into brass, for the manufacture of hollow sword-blades, glass bottles, japanned goods, printed hangings, Venetian metal, &c. "Some of which," says a writer of the day, who has given full details on the subject, "were very useful and successful whilst they continued in a few hands, till they fell into stock-jobbing, now much introduced, when they dwindled to nothing. Others of them were mere whims, of little or no service to the world. . . . Moreover, projects, as usual, begat projects—lottery upon lottery, engine upon engine, &c., multiplied wonderfully. If it happened that any one person got considerably by an happy and useful invention, the consequence generally was, that others followed the track, in spite of the patent, and published printed proposals, filling the daily newspapers therewith; thus going on to jostle out one another, and to abuse the credulity of the people."* Here we have, on a smaller scale, all the phenomena of the year 1720. Again, under the year 1698, we find the chronologist of our commerce noting—"London at this time abounded with many new projects and schemes, promising mountains of gold;" and quoting contemporary authorities as complaining heavily "that the Royal Exchange of London was crowded with projects, wagers, airy companies of new manufactures and inventions, stock-jobbers, &c." This was the reason, it seems, why soon after the business of stock-jobbing was removed from the Royal Exchange, first to 'Change Alley, and afterwards to Capel Court, where the building called the Stock Exchange now stands. The author of an *Essay on Projects*, printed about this time, speaks of having seen "shares of joint-stocks and other under-

* Extracted, with much more, by Anderson, *Chron. of Com.* ii. 614, from "*Angliæ Tutamen; or, the Safety of England: being an Account of the Banks, Lotteries, Diving, Draining, and Lifting, and sundry other Engines, Metallic, Salt, Linen, and many other pernicious projects now on foot, tending to the Destruction of Trade and Commerce, and the Impoverishing of this Realm. By a Person of Honour.*" 4to. Lond. 1695.

takings blown up by the air of great words, and the name of some man of credit concerned to perhaps one hundred pounds for one five-hundredth part or share [the meaning probably is, for the fifth part of a hundred pound share], and yet at last dwindle to nothing.”* Jobbing in the stock of the great chartered companies was now carried to such a length, that within the first nine or ten years after the Revolution shares in the East India Company had — “by the management of stock-jobbers,” as Anderson affirms—been sold on the Exchange at all prices from 300 per cent. down to 37 per cent.—an extent of fluctuation belonging to a game of chance rather than to any legitimate commercial speculation. Successive acts of parliament testify to the rage for lotteries which had long prevailed. “Whereas,” begins one passed in 1698, “several evil disposed persons for divers years last past have set up many mischievous and unlawful games called lotteries, not only in the cities of London and Westminster, and in the suburbs thereof and places adjoining, but in most of the eminent towns and places in England and dominion of Wales, and have thereby most unjustly and fraudulently got to themselves great sums of money from the children and servants of several gentlemen, traders, and merchants, and from other unwary persons, to the utter ruin and impoverishment of many families, and to the reproach of the English laws and government, by colour of several patents or grants under the great seal of England for the said lotteries, or some of them, which said grants or patents are against the common good, trade, welfare, and peace of his majesty’s kingdoms;” and then the lotteries in question are declared to be one and all public nuisances, and all the grants to be void and illegal.† The evil, however, was not effectually remedied; for in 1710 and 1711 we find parliament still complaining of its existence, and resorting to new measures for the suppression of lotteries and other such delusive and fraudulent projects, of which advertisements, it is declared, continued to be daily published in the common printed newspapers

* Quoted in Anderson, ii. 642.

† 10 Will. III. c. 23 (10 and 11 Will. III. c. 17 in common editions).

and otherwise.* The phrensy of the year 1720, therefore, we may say, was only the height and crisis of a fever that had been long at work in the public mind. And, although it is commonly assumed that it was the temporary success of Law's Mississippi conjuration in France which provoked the delirium and credulity of our own South Sea Company speculators, the truth rather appears to be that the example of the French project only suggested to the contrivers of the scheme for paying off the English national debt a method of proceeding by which, under that pretence, they could turn to the best account for themselves a general pre-disposition of their fellow-countrymen that prepared them for being readily duped by such extravagant promises of sudden wealth, and that would have certainly exploded about the same time in some other fashion, but with results nearly the same, if neither the South Sea scheme nor the Mississippi scheme had ever been thought of. And, after all, as we have observed, the calamitous effects of the madness were rather individual and immediate than permanent or general. There was little if any absolute destruction of capital; the whole mischief consisted in a most quick and violent shifting of property from one hand to another; many rich persons were made suddenly poor, but many poor persons were also made suddenly rich; and, if some old families were thrown to the ground, some new ones were at the same time raised from the ground and established in their places. Not a social revolution, certainly, which it would be desirable to see often repeated—on the contrary, an interruption of the natural, even course of things fraught with much temporary inconvenience and misery—a wrench or shake given to the body politic which it cannot but feel sharply at the moment, but by which, for all that, its general health will suffer nothing. Nay, the shock may do good in the long run rather than harm. In the present instance, that would appear to have been the case. The catastrophe of the South Sea delusion—the

* See 9 Anne, c. 6, s. 57, &c., and 10 Anne, c. 19 (c. 26 in common editions), s. 111, &c. See also 5 Geo. I. c. 9 (passed in 1718).

ruin many of the eager adventurers had brought upon themselves, and the well-merited punishment that was inflicted upon others—had probably a considerable effect in sobering down the extravagant spirit of cupidity, bred under the influence of an unaccustomed prosperity and abundance, in which the recent mania had originated, and in turning people's thoughts from the dream of making money by mere legerdemain and gambling to the slower but surer ways of regular commercial industry and enterprise.

During the short time it lasted, however, the excess to which the general intoxication, excited by the mounting up of the South Sea Company's stock, proceeded is almost incredible. Anderson has given us a curious table of the crowd of new projects that jostled one another in the money-market, and also an interesting description of the general scene of competition and clamour among the dealers and purchasers of the various stocks, which seems to be taken from personal observation. Of the great legal corporations whose stock was raised for the time to extravagant prices he enumerates, besides the South Sea Company, whose original 100*l.* shares came at last to sell for 1000*l.* each, the East India Company, whose 100*l.* shares rose to 445*l.*; the Bank of England, whose shares, originally worth about 96*l.*, rose to 260*l.*; and the Royal African Company, whose 23*l.* shares rose to 200*l.* Besides these there were, having doubtful charters, the Million Bank, whose stock rose from 100*l.* to 440*l.*; the York Buildings' Company, whose 10*l.* shares rose to 305*l.*; the Lustring Company, whose shares originally of 5*l.* 2*s.* 6*d.* rose to 120*l.*; and others. Another class of funds was founded on the revival of old companies, such as the Mine Adventurers, the Sword Blade Company, &c., which had long been deserted and defunct. Other schemes were for local and personal objects, such as the Temple Mills Brass Works, whose 10*l.* shares rose to 250*l.*; and Sir Richard Steele's Fish Pool, for bringing fresh fish by sea to London, the shares in which rose in the market to 160*l.*, although no money at all was paid for them originally.

Then there was a vast number of what Anderson describes as "Projects or bubbles, having neither charter nor act of parliament to authorise them; none of which were under one million, and some went as far as ten millions;" "very many whereof," he adds, "are distinctly remembered by the author of this work, how ridiculous and improbable soever they may now seem to many not acquainted with the infatuation of that year." The prices of the shares of only a few of those are given; but one example, that of the Orkney Fishery, the stock of which rose from 25*l.* to 250*l.*, may show that the most unsubstantial among them did not fail to be turned into powerful engines of swindling and plunder. Among them are enumerated eleven other fishing projects—four salt companies—ten insurance companies—four water companies—two companies for the remittance of money—two sugar companies—eleven companies for settlements in or trading to America—two building companies—thirteen land companies—six oil companies—four harbour and river companies—four companies for supplying London with coal, cattle, and hay, and for paving the streets—six hemp, flax, and linen companies—five companies for carrying on the manufacture of silks and cottons, one of which is described as Sir Richard Manningham's Company "for planting of mulberry trees and breeding of silk-worms in Chelsea Park, where two thousand of these trees were actually planted, and many large expensive edifices were erected, the remains whereof are scarcely now to be seen"—fifteen mining companies—and, bringing up the rear, a miscellaneous rabble, sixty in all, among which we read the following titles:—For building of hospitals for bastard children—for importing a number of large jackasses from Spain, in order to propagate a larger kind of mules in England; "for which purpose marsh lands were treating for near Woolwich; a clergyman, long since dead, being at the head of this bubble"—for trading in human hair—for fattening of hogs—for a grand dispensary, three millions—for a wheel for a perpetual motion—for furnishing funerals—for insuring and increasing children's fortunes—

for trading in and improving certain commodities of this kingdom, three millions—and even, carrying the indefinite still farther than this, for an undertaking which shall in due time be revealed! For this last we are told a subscription was actually opened. The most absurd of these bubbles, indeed, seem not to have wanted dupes. “From morning till evening,” says Anderson, “the dealers therein, as well as in South Sea stock, appeared in continual crowds all over Exchange Alley, so as to choke up the passage through it. Not a week-day passed without fresh projects recommended by pompous advertisements in all the newspapers (which were now swelled enormously), directing where to subscribe to them. On some sixpence per cent. was paid down, on others one shilling per cent., and some came so low as one shilling per thousand at the time of subscribing. Some of the obscure keepers of those books of subscription, contenting themselves with what they had got in the forenoon by the subscriptions of one or two millions (one of which the author particularly well remembers), were not to be found in the afternoon of the same day, the room they had hired for a day being shut up, and they and their subscription books never heard of more.” The utmost that appears to have been paid even on those projects that “had one or more persons of known credit to midwife them into the alley” was ten shillings per cent. “Persons of quality of both sexes,” continues our author, “were deeply engaged in many of these bubbles, avarice prevailing at this time over all considerations of either dignity or equity; the males coming to taverns and coffee-houses to meet their brokers, and the ladies to the shops of milliners and haberdashers for the same ends. Any impudent impostor, whilst the delusion was at its greatest height, needed only to hire a room at some coffee-house or other house near that alley for a few hours, and open a subscription-book for somewhat relative to commerce, manufacture, plantation, or of some supposed invention, either newly hatched out of his own brain, or else stolen from some of the many abortive projects of which we have given an account in former

reigns, having first advertised it in the newspapers the preceding day, and he might in a few hours find subscribers for one or two millions—in some cases more—of imaginary stock. Yet many of those very subscribers were far from believing those projects feasible: it was enough for their purpose that there would very soon be a premium on the receipts for those subscriptions, when they generally got rid of them in the crowded alley to others more credulous than themselves. And, in all events, the projector was sure of the deposit money. The first purchasers of those receipts soon found second purchasers, and so on, at still higher prices, coming from all parts of the town, and even many from the adjacent counties; and so great was the wild confusion in the crowd in Exchange Alley, that the same project or bubble has been known to be sold, at the same instant of time, ten per cent. higher at one end of the alley than at the other end.” In some cases what people got for their money scarcely professed to be anything else than simply a receipt for it—which, nevertheless, the purchaser was to try to pass off at a higher price upon somebody else; as if it were to be attempted to circulate a description of bank-notes without either signature or promise of payment, on the mere chance of each successive receiver finding some other more sanguine or venturesome than himself to take the worthless paper off his hands on a similar calculation. This might be called a paper currency resting not on credit but on hope. Anderson says that he well remembers what were called Globe Permits, which came to be currently sold for sixty guineas and upwards each in the alley, and which were, nevertheless, only square bits of a playing card bearing the impression in wax of the sign of the Globe Tavern in the neighbourhood, and the words Sail Cloth Permits for a motto, without any signature, and only conveying to their possessors the permission to subscribe some time afterwards to a new Sail Cloth Company not yet formed! We cannot help thinking that money must have been pretty plentiful when people could be found to give sixty guineas for any such article. Yet it

is impossible to say how much higher the prices of shares in even the most nonsensical and absurd of these bubbles might have mounted if the system had not received a sudden check from the very quarter whence it had derived its beginning and original impulse. "The taverns, coffee-houses, and even victualling-houses near the Exchange," Anderson goes on to relate, "were constantly crowded, and became the scenes of incredible extravagance. The very advertisements of those bubbles were so many as to fill up two or three sheets of paper in some of the daily newspapers for some months." Even the wildest of the schemes, he adds, "had a very considerable run, much money being got and lost by them; and, as for the great bulk of them, there were almost incredible numbers of transactions in them daily and hourly for ready money, and mostly at very advanced prices. . . . Moreover, great numbers of contracts were made for taking many of them at a future time." About midsummer it was calculated that the value of the stock of all the different companies and projects at the current prices exceeded five hundred millions sterling, or probably five times as much as the current cash of all Europe, and more than twice the worth of the fee-simple of all the land in the kingdom. But now, on the 18th of August, came out writs of *scire facias*, at the instance of the South Sea Company, directed against certain of the pretended companies expressly by name, and generally against all other projects promulgated contrary to law, all the subscribers to which were ordered to be prosecuted by the law officers of the crown. "This," continues Anderson, "instantly struck so general a panic amongst the conductors of all the undertakings, projects, or bubbles, that the suddenness as well as greatness of their fall was amazing. York Buildings stock, for instance, fell at once from 300 to 200; and in two days after neither it nor the other three undertakings expressly named in the *scire facias* had buyers at any price whatever. The more barefaced bubbles of all kinds immediately shrunk to their original nothing; their projectors shut up their offices and suddenly disappeared; and

Exchange Alley with its coffee-houses were no longer crowded with adventurers ; many of whom, having laid out their substance in those airy purchases, now found themselves to be utterly undone ; whilst, on the other hand, such as had dealt in them to great advantage became extremely shy of owning their gains." But the great mother of all the delusions and impositions soon felt that, though her progeny had become her rivals, in their life was involved her own. It was the spirit of gambling and madness that the mob of minor projects excited and fed by which the South Sea Company itself was sustained. From the day on which they were put down is to be dated the beginning of a decline in the price of the Company's stock, from which it never recovered. When the *scire facias* came abroad South Sea stock was at 850 ; by the 22nd of August it had fallen to 820 ; by the 30th, to 780 ; by the 8th of September, to 680 ; by the 20th, to 410 ; by the 29th, to 175. By this time all faith in the possibility of its being kept up at a price above its original cost and real value was irretrievably gone ; the bubble was burst ; the delusion over ; the drunkenness passed away, and only exhaustion, aching, and repentance left. " And now, towards the close of this year of marvels," says Anderson, winding up his narrative, " were seen the great losses of many families of rank, and some of great quality, and the utter ruin of merchants before of great figure, and also of certain eminent physicians, clergy, and lawyers, as well as of many eminent tradesmen ; some of whom, after so long living in splendour, were not able to stand the shock of poverty and contempt, and died of broken hearts ; others withdrew to remote parts of the world and never returned." But, as we have intimated, the hurricane which so greatly disturbed the air in rapidly passing through it probably made it purer and healthier for a long time to come.

The reign of George II. may be conveniently regarded for our present purpose as divided into three periods of nearly equal length—the first extending from 1727 to the year 1739, during which, with the exception of the short war with Spain, which George I. had left as a legacy to

his successor, and which was brought to a close soon after the commencement of the new reign, we were in the enjoyment of peace with all the world ;—the second, the space embraced by the general war which broke out in 1739, and continued to rage till the peace of Aix-la-Chapelle in 1748 ;—and the third, consisting of the remaining twelve years of the reign, the first eight of which were years of peace, the last four of war.

The general condition of the country at the commencement of the reign was undoubtedly one of considerable actual prosperity ; and the rate of our economical advancement was probably also both higher and steadier than it had ever been before. Anderson has collected under the year 1729 the various evidences by which Walpole and the friends of his administration supported their assertion of the thriving circumstances of the time in reply to the factious declarations of their opponents :—the low rate of interest, demonstrating the plenty of money ; the rise that had taken place in the price of land, from twenty or twenty-one years' to twenty-five, twenty-six, and twenty-seven years' purchase ; the great sums that had been of late years expended in the enclosing and improving of lands and in the opening and working of mines ; “ the great increase of jewels, plate, and other rich movables, much beyond elder times ;” the increased value of our general exports, and especially of our exports of the great staple articles of produce and manufacture, wool, coal, lead, and tin ; and, lastly, the increase that had taken place in the quantity of our mercantile shipping.*

The progress of the two last-mentioned measures of the activity of our manufactures and commerce may be stated as follows for the whole of the reign :—The total estimated annual value of our exports, which, on the average of the three years 1726, 1727, and 1728, was, as we have seen, 7,891,739*l.*,† had grown to be on the average of 1736, 1737, and 1738, the three last years of the peace, 9,933,232*l.* ; on that of 1739, 1740, and

* Chron. of Com. iii. 156.

† Chalmers, Estimate, p. 105. At p. 112 the figures are printed 7,918,406*l.*

1741, the three first years of the war, it fell to 8,870,499*l.* ; but in 1744 it was 9,190,621*l.* ; in 1747, 9,775,340*l.* ; and in 1748, which was rather the first year of peace than the last of the war, it mounted at once to 11,141,202*l.* Nor was this a mere temporary elevation : in the next three years, 1749, 1750, and 1751, the total value of our exports was on an average 12,599,112*l.* The amount slightly declined, indeed, in 1755, 1756, and 1757, on the average of which three years it was only 11,708,515*l.* —the depression being probably occasioned by the uncertain and threatening aspect of things that preceded the breaking out of hostilities ; but the war when it came, unlike all former wars in which we had ever been engaged, rather assisted than injured our foreign trade ; and our exports from this date continued to increase every year to the end of the reign, their estimated value being, in 1758, 12,618,335*l.* ; in 1759, 13,947,788*l.* ; and in 1760, 14,693,270*l.* Thus, in the course of the reign of George II. the amount of our exports was very little less than doubled. The increase in the quantity of the shipping employed in our foreign trade, however, was not nearly so great. The total tonnage of the ships cleared outwards, which on the average of the three years ending with 1728 had been 456,483 tons, was 503,568 (including 26,627 foreign) on that of the three ending with 1738 ; 471,451 (including 87,260 foreign) on that of the three years ending with 1741 ; 446,666 (including 72,849 foreign) in 1744 ; 496,242 (including 101,671 foreign) in 1747 ; 554,713 (including 75,477 foreign) in 1748 ; 661,184 (including 51,386 foreign) on the average of the three years ending with 1751 ; 524,711 (including 73,456 foreign) on that of the three ending with 1757 ; 595,844 (including 116,002 foreign) in 1758 ; 527,351 (including 121,016 foreign) in 1759 ; and 573,978 (including 112,737 foreign) in 1760. Thus the amount of native shipping employed in our foreign trade, which was 432,832 tons at the beginning of the reign, was not more than 471,241 at its close.* This, however, in the

* From various accounts (apparently official) given by Chalmers, *Estimate*, pp. 112—132.

absence of any account of our coasting trade, proves nothing as to the amount of the general mercantile marine of the kingdom. The tonnage of the royal navy, which at the end of the last reign was 170,862 tons, was in 1741, 198,387 ; in 1749, 228,215 ; in 1754, 226,246 ; and in 1760, 321,104.*

Another indication of the advancing wealth of the country throughout this reign is afforded by the regularly augmenting produce of the Sinking Fund, which was made up from the surplus yielded by the ordinary taxes over and above certain fixed payments with which they were made chargeable. The Sinking Fund, therefore, may be regarded as an index of the productiveness of the national taxation, which, again, was itself an index of the consumption of the people as determined by their numbers and their ability to purchase necessities and luxuries. Now the surplus paid over to the Sinking Fund, which, at its establishment in 1717, was only 323,427*l.*, and by 1724 had only reached 653,000*l.*, had in 1738 come to be no less than 1,231,127*l.*, and it appears to have gone on increasing at the same rate to the end of the reign, seeing that in 1764, the next date at which we find it noted, it is stated to have been about 2,200,000*l.* Part of this increase is no doubt to be attributed to the increase of population ; but that cause alone will not nearly account for the whole of it.

One of the sources to which the stream of our commerce owed its gradual and steady expansion throughout this reign was the growing importance of our possessions in the islands and on the continent of America. Of the attractions which the latter already presented to persons who found themselves in want of employment or in straitened circumstances in the old world, or for any other reason sought a new country in which to better their fortunes, we may judge from an account which has been preserved of the arrivals from Europe in the single pro-

* This last number is taken from the account laid before the House of Commons in 1791, which was made up at the Navy Office. Chalmers, on whose authority the other numbers are given, makes the tonnage in 1760 only 300,416 tons.

vince of Pennsylvania in the year 1729. There emigrated from Europe to Pennsylvania in that year no fewer than 6208 persons, of whom, as in the emigration of the present day, the great mass were Irish, driven from their native land, the account states, "by reason of rack-rents there"—in other words, by the same scarcity and high price of land, and utter want of any other means of subsistence, which still constitute the unhappy economical condition of that country. Of the 6208 individuals, 243 were Germans from the Palatinate, 267 English and Welsh, 43 Scotch, and the remaining 5655 all, or mostly all, Irish. The Germans were all passengers, the Scotch all servants, the English, Welsh, and Irish, partly passengers, partly servants. By this time, "in the province of Pennsylvania," says Anderson, "great improvements were constantly making in commerce, shipping, and agriculture; many ships and sloops were continually building at Philadelphia, Newcastle, &c., which they mostly dispose of to our sugar colonies, and the rest they use in the carrying their own product, consisting of cask-staves, lumber, pork, pease, flour, biscuit, &c., in exchange for sugar, rum, molasses, and British money."* As yet, however, as we learn from a report of the Board of Trade which was drawn up on an order of the House of Commons in 1732, there were no manufactures of any consequence established in Pennsylvania; even the clothing of the people and the utensils for their houses were all imported from Great Britain. The case was nearly the same, according to the report, in New Hampshire, New York, and New Jersey. The inhabitants only made a few coarse linens and woollens for their own use, and even of these a less quantity than they used to do. In Massachusetts's Bay, however, industry had made somewhat greater progress. There they not only built ships for the French and Spaniards, as the Pennsylvanians did for their neighbours of the West India Islands, but they had already in that and other New England States six furnaces and nineteen forges for the smelting of

* Chron. of Com., iii. 155.

iron, and they fabricated all sorts of iron-work for shipping. They also made great quantities of hats, many of which were exported, as was complained of by the Hatters' Company of London, to Spain and Portugal as well as to the West Indies. There were besides, the report states, several still-houses (for making rum) and sugar bakers established in New England. It is affirmed, however, that, after all, the iron-works in the province of Massachusetts were not sufficient to supply the twentieth part of what was required for the use of the country, and that, the quality of the little that was made was greatly inferior to that of the iron imported from Great Britain. Some iron was also made in Rhode Island, but not to the extent of a fourth part of the consumption. From another account of nearly the same date, a work published at London in 1731, entitled, "The Importance of the British Plantations in America to this Kingdom considered," we gather some other interesting particulars. Pennsylvania, this author states, though the youngest of our American colonies, had already a more numerous white population than was spread over all Virginia, Maryland, and both the Carolinas. The produce of this province for exportation consisted of wheat, flour, biscuit, barrelled beef and pork, bacon, hams, butter, cheese, cider, apples, soap, myrtle-wax, candles, starch, hair-powder, tanned leather, bees'-wax, tallow candles, strong beer, linseed oil, strong waters, deer-skins and other peltry, hemp, some little tobacco, sawed boards and timber for building of houses, cypress-wood, shingles, cask-staves, headings, masts, and other ship-timber, and various dyeing substances, or drugs as they were called. The shipping which they employed in their own trade might amount to about six thousand tons, and the quantity they built for sale was about two thousand tons annually. "They send," the account continues, "great quantities of corn to Portugal and Spain, frequently selling the ship as well as cargo; and the produce of both is thence sent to England, where it is always laid out in goods and sent home to Pennsylvania. . . . They receive no less than from 4000 to 6000 pistoles from the Dutch isle of Curaçoa

alone, for provisions and liquors. And they trade to Surinam in the like manner, and to the French part of Hispaniola, as also to the other French sugar islands; from whence they bring back molasses and also some money. From Jamaica they sometimes return with all money and no goods, because rum and molasses are so dear there; and all the money they can get from all parts, as also sugar, rice, tar, pitch, &c., is brought to England, to pay for the manufactures, &c., they carry home from us." The amount of the purchases thus made by the Pennsylvanians in England, he affirms, had not for many years been less than 150,000*l.* per annum. New York and Jersey had the same commodities to dispose of as Pennsylvania, except that they did not build so many ships; but there had lately been discovered in New York the richest copper-mine perhaps that was ever heard of, and great quantities of its produce had been brought to England. And, although this province sent fewer ships to England than some of the other colonies, yet those it did send were more richly laden, a larger portion of their cargoes being made up of furs and skins, which were obtained from the Indians. On the whole, this writer reckons New York to be at least of equal advantage to the mother country with Pennsylvania, both in respect of the money it sent us and the manufactures it took from us. Massachusetts, he goes on to state, had already at least 120,000 white inhabitants, employing about 40,000 tons of shipping in their foreign and coasting trades, making above 600 sail of one kind and another, about one-half of which traded to Europe. "Their fisheries," he adds, "have been reckoned annually to produce 230,000 quintals of dried fish, which, being sent to Portugal, Spain, and up the Mediterranean, yield twelve shillings per quintal, being 138,000*l.* sterling. . . . By this fishery they are said to employ at least 600,000 seamen; and, adding to the above sum the freight and commission, all earned by our own people, and reckoned at one-third more, the whole will be 172,500*l.*, all remitted to Great Britain." To this was to be added their whale-fishery, employing about 1300 tons of shipping. They also sent to England

great quantities of provisions, lumber, and the other descriptions of produce already enumerated as forming the exports of Pennsylvania; and many of their ships were loaded directly from the sugar islands for this country. "From New England, also," continues the account, "we have the largest masts in the world for our royal navy. From thence also, as from our other continent colonies, we receive all the gold and silver that they can spare; for we give them in exchange all manner of wearing apparel, woollen, brass, and linen manufactures, East Indian goods, &c., in all, to the value of 400,000*l.* yearly." Of the southern colonies, Virginia and Maryland are described as together sending over annually to Great Britain 50,000 hogsheads of tobacco, one with another of the weight of 600 lbs.; the value of which, at 2½*d.* per pound, would be 375,000*l.* The shipping employed to bring home this tobacco is reckoned to amount to at least 24,000 tons, in by far the greater part English-built, and always fitted out and repaired in England—though, it seems to be implied, owned by the colonists. From these provinces also we received annually about 6000*l.* worth of skins and furs; they produced, moreover, excellent flax, and wool equal to the best grown in England; and there were already at least one iron-work in Virginia and another in Maryland. But, of all our American colonies, the one perhaps of the most visibly rising importance was that of Carolina. This author relates how the cultivation of rice originated in that province about the beginning of this century:—"A brigantine from the isle of Madagascar happened to put in at Carolina, having a little seed-rice left, which the captain gave to a gentleman of the name of Woodward. From part of this he had a very good crop, but was ignorant for some years how to clean it. It was soon dispersed over the province, and by frequent experiments and observations they found out ways of producing and manufacturing it to such great perfection that it is thought to exceed any other in value. The writer of this hath seen the said captain in Carolina, where he received a handsome gratuity from the gentlemen of that country,

in acknowledgment of the service he had done that province. It is likewise reported that Mr. Dubois, then treasurer of the East India Company, did send to that country a small bag of seed-rice some short time after, from whence it is reasonable enough to suppose come those two sorts of that commodity—the one called red rice, in contradistinction to the white, from the redness of the inner husk or rind of this sort, although they both clean and become white alike.” Before the year 1733 the Carolina rice exported to Spain and Portugal had nearly put a stop to the purchase of the article by those two countries from Venice and other parts of Italy. In that year the total exportation of rice from Carolina was 36,584 barrels ; besides which the province also exported 2802 barrels of pitch, 848 of turpentine, 60 tons of lignum vitæ, 20 of Brasiletto wood, 27 of sassafras, 8 chests of skins, and a quantity of lumber, pork, peas, beef, and Indian corn. “ This colony,” adds Anderson, “ is continually increasing by the encouragement they give to new comers, both British and foreigners.”* By the year 1739 we find its exportation of rice raised to 71,484 barrels, and, among various additions to its other exports, above 200,000 feet of pine and cypress timber, and a small quantity of potatoes. The vessels that cleared out from the province this year were 238 of all sorts. The next year its exportation of rice amounted to 91,110 barrels. A few years after this the Carolina planters, finding they were overstocking the European market with their rice, began the cultivation of indigo, which had formerly been extensively grown in Jamaica and the other sugar islands. In 1747 about 200,000 lbs. of indigo was sent from Carolina to England, which had been heretofore wont to pay about 200,000*l.* a year to France for that article. Parliament the following year granted a bounty of sixpence per cwt. on all indigo raised in any of our American colonies, and imported into Britain directly from the place of its growth ; and, aided by this encouragement, the cultivation of the plant continued to be prosecuted in Carolina with considerable success,

* Chron. of Com., iii. 201.

so that by the end of the present period the quantity annually exported from the province amounted to about 400,000 lbs. In the year 1732 a new colony was established on the unoccupied territory between Carolina and the Spanish possession of Florida, by a society of gentlemen, headed by General Oglethorpe, whose primary object was to provide by this means a place of settlement for destitute debtors after their liberation from gaol, and for foreign protestants who might be desirous of emigrating to a settlement where they would have the free exercise of their religion. A charter was granted by the crown establishing the independence of the new province, which was named Georgia, in honour of his majesty. The trustees immediately erected two towns, Savannah and Frederica; planted a nursery of white mulberry-trees, with a view to the production of silk; and imported a number of natives of Piedmont to tend the worms, as well as other foreigners to dress and improve by cultivation the vines which grew wild in the country in great abundance. "Yet," adds Anderson, "by having several idle drones, drunkards, and determined rogues, the prosperity of this colony was at first much retarded, as it was also by frequent alarms from the Spaniards, and, it must be confessed, in part also by an ill-judged though well-meant Utopian scheme for limiting the tenure of lands and for the exclusion of negro slaves; both which mistakes have since been rectified."* The rearing of the silkworm was gradually extended both in Georgia and Carolina; so that before the end of the present period the quantity of raw silk produced in Georgia exceeded ten thousand pounds weight annually.†

The growing strength and importance of these continental settlements, however, was regarded with a jealous eye by the elder sugar colonies in their neighbourhood; and so early as the year 1715 loud complaints began to be made by the planters of Jamaica and the other West India islands of what they considered as the illegal traffic that was springing up between them and the French and

* Chron. of Com., iii. 189.

† Id. 309.

Dutch dependencies in that quarter of the world, which they supplied, as we have seen, to a considerable extent, both with agricultural produce and with shipping, and from which they were themselves furnished in return with sugar, rum, and other articles of which the English islands maintained that they had by law a monopoly in regard to all the dominions of the mother country. The dispute produced several publications on both sides—among others, that entitled “The Importance of the Plantations,” noticed above; and at last, in 1731, a bill was brought into Parliament, which passed the Commons, absolutely prohibiting, under forfeiture of ship as well as cargo, the importation into any part of English America of sugar, rum, or molasses grown in the plantations of any foreign power. This bill was allowed to drop in the House of Lords; but, two years after, the matter was settled by an act “for the better securing and encouraging the trade of his majesty’s sugar colonies in America,” which, while it granted a drawback upon the re-exportation from Great Britain of West India sugar, imposed certain duties upon the importation into the American settlements of the produce of the foreign plantations.* According to the preamble of the act our West India islands were at this time far from being in a thriving condition: their welfare and prosperity are asserted to be of the greatest consequence and importance to the trade, navigation, and strength of the kingdom; but of late years, it is added, the planters had fallen under such great discouragements as to be “unable to improve or carry on the sugar-trade upon an equal footing with the foreign sugar colonies without some advantage and relief be given to them from Great Britain.” From an account of our West India Islands laid before the House of Lords by the Board of Trade in 1734, we learn various particulars of their trade and general condition. All our sugar islands together were reckoned to produce annually, on an average, 85,000 hogsheads, or 1,200,000 cwt., of sugar; “of which,” adds Anderson, in his comment on the report, “Great Britain was thought to con-

* Stat. 6 Geo. II. c. 13.

sume annually 70,000 hogsheads, or 94,080,000 pounds of sugar ; which, for 10,000,000 of people, if so many there be in Britain, comes to nine pounds and a-half of sugar to each person ; or, if but 8,000,000 of people, then about eleven pounds and a-half of sugar to each person ; and, as there are undoubtedly about 2,000,000 and upwards of people in Ireland, we may omit them in this computation, as there may probably be near that number in all the British dominions who use little or no sugar at all." In the present day, we may mention, our consumption of sugar is upwards of 400,000,000 of pounds, or between four and five times what it was a century ago. At that time it was computed that the shipping that went annually from Great Britain to the sugar islands amounted to about 300 sail, navigated by 4500 seamen ; and that the value of the British manufactures annually exported thither was about 240,000*l*. On an average of the four years ending with 1732, our annual exports to Jamaica amounted to 147,675*l*. in value, and our imports thence to 532,499*l*. At this time the number of the white inhabitants of Jamaica was only 7644, which was much less than it had formerly been. "The diminution of the white people of Jamaica," Anderson observes, "was owing to the great decay of their private or illicit trade to the Spanish main ; that trade having drawn thither many white people, who were wont to get rich in a few years, and then return to their mother country, and the Spanish money they got in Jamaica did at length centre in England. From Jamaica our said people privately carried all sorts of our manufactures, &c., to New Spain, which it is well known can only be legally carried thither by the *flota* and *flotilla* from Old Spain : they also carried thither great numbers of negroes." Barbadoes had a white population of 18,295 ; that of our Leeward Islands, consisting of St. Christopher's, Antigua, Nevis, and Montserrat, with their dependencies, Barbuda, Anguilla, Spanish Town (or Virgin Gorda), Tortola, and the rest of the Virgin Islands, was 10,262 ; that of Providence, the only one of the Bahamas that could yet be said to be peopled, was 500 ; and that of the Bermudas, 5000.

Besides sugar and rum, considerable quantities of cotton, indigo, ginger, pimento, and cocoa were exported from Jamaica and some of the other islands; and the cultivation of coffee which had been grown in the Dutch continental settlements of Surinam since 1718, was introduced a few years after into the French and Spanish, and also into our own West India plantations. From Jamaica, as is well known, we now derive a large portion of our supply of this article.

During the latter portion of this period the affairs, and it may be said the essential character, of the East India Company underwent a complete revolution, under the influence of circumstances and events of which it is not here necessary to enter into any detail. The destruction of the authority of the Mogul emperor by the invasion of Thamas Kouli Khan in 1739, and the consequent assumption of a practical independence, though still veiled under the old forms of vassalage, by the nabobs and other provincial Mahometan governors, had, in the course of the war which terminated in 1748, involved the agents of the French and English companies, as partisans of opposing competitors for various of the petty thrones which had thus arisen, in as fierce hostilities as were carried on by their respective countries in Europe or in any other part of the globe; nor did the peace of Aix-la-Chapelle, which gave some years of repose to the swords of the combatants in the West, allay for more than a moment these oriental feuds, which had again burst into flame, and embroiled the two companies as furiously as ever, long before arms were again taken up by the two nations. It does not belong to our present subject to follow the course of the memorable contest that now arose, in which the brilliant successes of Clive at the same time levelled with the ground the already formidable fabric of political power which France was erecting in India, and elevated his own employers from a trading company to be the rulers of an empire. What we are here concerned with are merely the results of these great changes upon the position and circumstances of the Company. The factory at Calcutta, which had been pre-

viously subordinate to Madras, had been declared an independent presidency so early as the year 1707 ; and in 1717 a firman granted by the Mogul had exempted the Company's trade from duties, and permitted them to purchase and hold possession of land in the neighbourhood of their several factories. In 1726 a charter obtained from the crown authorised the establishment of courts of justice at Madras, Bombay, and Calcutta, for the trial of all causes, civil and criminal, high treason only excepted. In 1746 the French took Madras, which however was restored two years after on the termination of the war. In 1749 the Company obtained possession of the town and district of Devicotah, in Tanjore, by a negociation with the rajah of that country, after they had unsuccessfully attempted to depose him at the solicitation of his half-brother, from whom he had shortly before wrested the crown—a transaction which may be regarded as the first in which they openly took part in the politics of India, and as that which laid the foundation of their subsequent military power. Clive's operations range from the year 1751 to the end of the present period, in the course of which space of time Calcutta was taken by Surajah-ul-Dowlah, the subahdar of Bengal, in June 1756, but retaken in January following ; the French settlement of Chandernagore was captured in March 1757 ; the power of Surajah-ul-Dowlah was overthrown at the battle of Plassy, in June, that same year ; and before the end of the year 1760 every fort and factory belonging to the French had fallen into the hands of their rivals, except Pondicherry, which also surrendered in January, 1761. All this time, however, while the Company was making such advances in the acquisition of political power and even of territorial possessions, no great increase appears to have taken place in its trade. On the average of the eight years ending with 1741 the value of the British produce and goods of all sorts annually exported to India and China was no more than 147,944*l.* ; and on that of the seven years ending with 1748 it had only increased to 188,176*l.* The average annual export of bullion during the last seven years was 548,711*l.* For some years after this there was a con-

siderable rise in the amount exported both of goods and of bullion. Thus in 1749 the value of the goods was 275,890*l.*, of the bullion 909,136*l.*; in 1750, of the goods 305,068*l.*, of the bullion, 816,310*l.*; in 1751 of the goods 341,633*l.*, of the bullion 944,471*l.*; in 1752, of the goods 410,968*l.*, of the bullion 840,417*l.*; in 1753, of the goods 418,015*l.*, of the bullion 951,951*l.*—making together 1,369,966*l.*, which was the largest amount to which the total exports rose within the present period. From this date there was, with the exception of one or two years, a great decline in the amount of the bullion, and some falling off also in that of the goods; so that in 1755 the value of the goods was only 245,030*l.* and that of the bullion 625,485*l.*; in 1758, of the goods 358,949*l.*, of the bullion 174,099*l.*; in 1759, of the goods 366,974*l.*, of the bullion 144,160*l.*,—making together only 511,134*l.*, which was a lower point than the total amount of exports had descended to since 1715. In 1760 the value of the goods exported was 520,719*l.*, but the amount of bullion was only 91,924*l.* The number of ships annually sent out usually ranged from sixteen to twenty; some few times it was twenty-two or twenty-four, but in other years it was only fourteen. Of the Company's imports the chief article in which there appears to have been a steady increase was tea: of that the home consumption gradually rose from 141,995 lbs. in 1711, to 237,994 lbs. in 1720, to 537,016 lbs. in 1730, to 1,380,199 lbs. in 1735, to 2,209,183 lbs. in 1745, and to 2,738,136 lbs. in 1755. In 1760 it appears to have fallen to 2,293,613 lbs.; but that proved only a temporary check. Perhaps it would not be easy to find a better evidence of the advancing refinement as well as comfort of the great body of the people than is furnished by this steadily extending preference for what may be called the temperate man's wine—"the cup that cheers but not inebriates."

The active spirit of the national industry, and the growth of our trade and manufactures, throughout the greater part of the present period, were shown by nothing more remarkably than by the continued extension of the metropolis and most of our other long established centres

of population, and the rapid rise of several places formerly of inconsiderable magnitude to the rank of great towns. In London no fewer than eight new parishes were erected between the Revolution and the end of the reign of George II.:—in 1694 that of St. John, in Wapping; in 1729 that of Christ Church, Spitalfields, and that of St. George in the East; in 1730 that of St. George, Bloomsbury, and that of St. Anne, Limehouse; in 1732 that of St. John, Southwark, and that of St. Luke, in Old-street; and in 1743 that of St. Matthew, Bethnal Green. The act for the building of fifty new churches passed in 1710, the establishment of the Chelsea Water Company in 1721, and the building of Westminster Bridge, begun in 1739, and finished in 1750, are all further indications of the expansion of this mighty heart of our social system. Bristol, Hull, Liverpool, Manchester, Birmingham, Sheffield, Leeds, Frome, Edinburgh, Glasgow, and Dublin, had also each derived a large accession of population, some of them to the extent of several times the numbers they contained at the commencement of the period, either from the increase of trade and manufactures, or from that diffusion of luxury which is one of the common and natural consequences of commercial prosperity. Yet the spirit of improvement was still in a great measure confined to our cities and towns. In the country even the basis and first essential of a good economical system was still very deficient or altogether wanting; although turnpikes had been introduced soon after the Restoration, and in the reign of George II. it was made a felony to pull them down, our highways still continued to be generally kept in repair merely by the compulsory labour of the parish paupers, and even so late as 1754 we are told the traveller seldom saw a turnpike for two hundred miles after leaving the vicinity of London. Most of our great roads consequently still remained nearly in their ancient condition to the end of the present period.*

We must not close the commercial history of this period without adverting for a moment to the progress of

* Chalmers, Estimate, p. 125.

the new science of political economy, some of the earlier cultivators of which we noticed in the last Chapter. The most remarkable work upon this science that had yet appeared was produced in 1691, on occasion of the proposed recoinage of the silver money, by Sir Dudley North, under the title of "Discourses upon Trade, principally directed to the cases of Interest, Coinage, Clipping, and Increase of Money." The immediate object of the work was to oppose the government plan (which was that ultimately adopted) of throwing the loss arising from the clipped money upon the public; and Sir Dudley's brother and biographer, Roger North, hints that means were taken to suppress it:—"it is certain," he says, "the pamphlet is, and hath been ever since, utterly sunk, and a copy not to be had for money."* But the author sought to establish his conclusions by the most rigorous and methodical deduction, and his Discourses accordingly presented a statement and elucidation of all the leading principles of commercial and economical science. "He is throughout," says a distinguished modern writer upon these subjects, "the intelligent and consistent advocate of commercial freedom. He is not, like the most eminent of his predecessors, well informed on one subject and erroneous on another. His system is consentaneous in its parts, and complete. He shows that in commercial matters nations have the same interests as individuals, and forcibly exposes the absurdity of supposing that any trade which is advantageous to the merchant can be injurious to the public. His opinions respecting the imposition of a seignorage on the coinage of money, and the expediency of sumptuary laws, then very popular, are equally enlightened."† One or two of the general propositions which Sir Dudley lays down will show how perfectly untrammelled he was by the

* Lives, iii. 172.

† Principles of Political Economy, by J. R. M'Culloch, Esq., p. 43. Mr. M'Culloch, we believe, was fortunate enough to recover a few years ago the only known copy of the original edition of Sir Dudley North's tract. A small impression has been since privately printed from that copy.

prevailing prejudices and false notions of his day:—“That there can be no trade unprofitable to the public; for, if any prove so, men leave it off; and wherever the traders thrive, the public, of which they are a part, thrive also:—That money is a merchandize, whereof there may be a glut as well as a scarcity, and that even to an inconvenience:—That a people cannot want money to serve the ordinary dealing, and more than enough they will not have:—That no man will be the richer for the making much money, nor have any part of it, but as he buys it for an equivalent price.”* Other writers who immediately followed North, and who all also promulgated some sound principles, though no one of them perhaps with the same complete elevation above the false or imperfect views of the time, were John Locke, in his “Considerations on the Lowering of Interest and Raising the Value of Money,” published in 1691, and his “Further Considerations on raising the Value of Money,” 1695; Nicholas Barbon, in a Discourse concerning Coining the New Money lighter, published in 1696; and the anonymous author of a very remarkable pamphlet which appeared in 1701, entitled “Considerations on the East India Trade.” To a later part of the period belong Jacob Vanderlint’s tract entitled “Money answers all things,” 1734; Sir Matthew Decker’s very able “Essay on the Causes of the Decline of Foreign Trade,” 1744; Mr. Hume’s “Political Essays,” 1752; and Harris’s “Essay on Coins,” 1757, the views in which are chiefly systematized from the previous disquisitions of Locke and Hume, but which has been described as perhaps the best work, upon the whole, on the subject of money antecedent to the *Wealth of Nations*.†

The Money of this period will not detain us long. The gold coins of William and Mary are five-pound pieces, forty-shilling pieces, guineas, and half-guineas; the

* Quoted by Mr. M'Culloch, *ut supra*.

† Article on Political Economy, by Mr. M'Culloch, in Supplement to *Encyclopædia Britannica*; to which treatise, and to the same writer’s *Principles of Political Economy*, we are indebted for the substance of the above notices.

silver, all the usual pieces, from crowns down to pennies, On both the gold and silver money are the heads of their majesties in profile, both looking to the left, the queen's half-covered by the king's, which is outermost. Some tin halfpence and farthings were coined in 1690 ; but, being frequently counterfeited, they were replaced by a copper coinage of these descriptions of money in 1694. We have already given an account of the calling in of the old silver money, and its recoinage, in 1696. Each of the new coins has immediately under the king's head the initial letter of the name of the town where it was struck. The Scotch coins of William and Mary have their heads turned to the right. Their only Irish coins are halfpence and farthings, of copper, brass, and pewter. The escutcheon in the centre of the royal arms on the money of this reign is that of Nassau.

The gold and silver money of Anne consists of the same pieces as that of her predecessor. She likewise coined a few copper halfpence and farthings, the latter dated in 1713 and 1714, and now very rare. "Upon the Union of the two kingdoms of England and Scotland," says Leake, "the arms being altered, the same was observed upon all the money coined afterwards ; the arms of England and Scotland being impaled in the first and bottom shields, France in the sinister, and Ireland in the dexter, according to this left-handed rotation, which, however irregular and absurd, has prevailed ever since the first milled money."* For some time after the Union a mint was kept up at Edinburgh, at which silver money was coined of the same stamp with that coined in London, but distinguished by an E, for Edinburgh, under the queen's head.

The coins of Geo. I. are remarkable as being the first on which the letters F.D. (for *Fidei Defensor*) appear. They have also his majesty's electoral titles on the reverse ; and in the arms Ireland is placed on the bottom shield, and in the dexter (where those of Ireland used to be) are the arms of his majesty's German dominions. In this reign, in the year 1717, on the representation of the

* Historical Account of English Money, p. 405.

House of Commons, that the over valuation of gold in the current coins of the realm had produced a great and infinite diminution and scarcity of silver specie, it was ordered by royal proclamation that the guinea, which had for some time past been current at 21s. 6d. should for the future pass only for 21s., and the other gold coins at proportionate rates. In 1718 there were issued, for the first time, some quarter-guineas; but they were found too diminutive for use, and no more of them were coined within the present period. Of the famous Irish copper money coined by Wood in 1722 and 1723 the halfpence and the farthings of 1723, have on the reverse Ireland represented under the figure of a woman in profile, sitting, with a palm-branch in her right hand, and resting her left upon a harp, with the legend HIBERNIA: the figure on the farthing of 1722 is slightly different. "These," says Leake, "were undoubtedly the best copper money ever made for Ireland, considerably exceeding those of King Charles II., King James II., and King William and Queen Mary, in weight, goodness, fineness, and value of the copper." They were also much handsomer than the contemporary English farthings and halfpence, the king's head being in particular much better executed, as well as having more resemblance to his majesty. The violent opposition raised against them, although not one of the allegations on which it professed to be founded was ever either proved or attempted to be proved, compelled the crown to issue an order, in August, 1724, that only as many of the halfpence and farthings as had then been issued, amounting in value to about 17,000*l.*, and as many more as should make up that amount to 40,000*l.*, should be put into circulation. The amount for which the patent had been granted was only 100,800*l.* Before this it is stated that the Irish, in their want of small money, were wont to make use of counterfeit coins called *Raps*, of such base metal that what passed for a halfpenny was not worth half a farthing, and persons employing many workmen were obliged to pay them their wages with tallies, or tokens in cards.

Silver groats, threepenny, twopenny, and even penny

pieces continued to be coined in the reign of George II. Upon the gold coins of this reign, the arms, Leake observes, are properly disposed in one shield crowned, instead of being misplaced in four shields, as had been done upon all the milled money since the Restoration, some few coins of William and Mary excepted. At the commencement of the reign a great deal of the old hammered gold money of James I., Charles I., and Charles II. was still current. under the name of broad-pieces, half broad-pieces, and quarter broad-pieces, much of which was greatly diminished either by wear, or by clipping and filing ; but in 1732 all this old money was called in, and paid for at the Mint at the rate of 8*l*s. per ounce ; after which it was declared no longer current. In one of George II.'s halfpennies of 1730 an extraordinary blunder occurs, the omission of the *R* in his majesty's name. Foreign gold coins still continued to form a great part of our currency in this reign, much to the general inconvenience. Leake, writing in 1745, gives a deplorable account, also, of the state to which the silver money was already reduced, although most of it was not yet fifty years old. " We have not, indeed," he says, " had any clipping, as formerly, for that is impracticable upon the milled money ; but time has minished it in a manner equivalent to clipping. Our sixpences are, many of them, worn to groats, and some shillings are not much better in proportion. The half-crowns are not so bad, but then they are not so common ; the latter ones, since King William, being most of them melted or transported ; and crowns seem to have answered no other end ; they disappear as soon as coined, and indeed are too burdensome for common use, two half-crowns better answering the purpose."*

* Historical Account of English Money, p. 427.

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